Daily Report

Latin America

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Cuba

4-Way Talks End in New York; Communique Issued

FL1307202288 Havana Radio Rebelde Network in Spanish 1953 GMT 13 Jul 88

[Report by Rolando Jaime]

[Text] Discussions on southwest Africa ended today in New York City. According to a joint communique issued at the end of the talks, the negotiations were held in a constructive spirit and they were productive and positive.

Based on the premises established in London and Cairo, says the document, the Angolan, Cuban, U.S., and South African delegations reached an agreement, ad referendum by their governments, on a basic document entitled: Principles for a Peaceful Solution in Southwest Africa.

Pending ratification by their governments, the delegations also agreed that the next goal of the talks will be to shape these basic principles into agreements for a global solution.

The communique says that the delegations deliberated on the manner in which to create an atmosphere in the region that will allow greater progress in the negotiations. The document recognizes the need for greater swiftness in their work and, thus, it was agreed to hold a new meeting of high-level experts during the first week of August. The location has not been determined.

Castro Closes Third Havana Enterprise Meeting

Cement Production Discussed

FL0907160288 Havana Television Service in Spanish 0000 GMT 9 Jul 88

[Text] [Announcer Maricela Recasen] Unprofitablity and losses in the cement industry were some of the topics extensively debated this afternoon.

[Begin recording] [Castro] In your opinion, what are the factors that most affect cement production? It's not the work force because that is a small portion of the cost. Oil and energy are the primary cost factors.

[Cement union enterprise director] That's what I was saying, Commander. We have to make better use of our resources because this is fundamental. Naturally, oil is an important factor. If we were more efficient with production, the oil consumption index could be lowered.

[Castro] How long does it take to recover the costs of a cement factory?

[Director] It takes approximately 23 years.

[Castro] In general, what can the members of the cement union say about producing 4.2 million tons of cement by 1988 [corrects himself] by 1989 and 4.6 million tons by 1990? This is very important because of all the plans we have underway.

[Director] I wanted an opportunity to discuss this topic. I wasn't able to do so the other day. We at least have an idea that...

[Castro, interrupting] We'll produce 3.8 million tons this year with no problem?

[Director] Yes, well, with no problem...

[Castro, interrupting] And we'll produce 4.2 million tons by 1989...

[Director, interrupting] It may be a problem, but we'll produce 3.8 million tons.

[Castro] And in 1989 we'll have 4.2 million tons?

[Director] Yes, now...

[Castro, interrupting] This goal will depend on the situation of some of the industries.

[Director] That's what I wanted to explain to you. Last year... [corrects himself] I mean, through May we were fulfilling the plan by 100 percent, the goal of 3.8 million tons of cement. We got behind schedule by 40,000 tons in June because—as you know—of the rains and the ship carrying the raw material that had trouble in Santiago. These factors caused us to fall behind schedule by 40,000 tons. Our goal is to get back on schedule in July and August. [end recording]

Meeting's 'Historic Aspect'

FL0907155588 Havana Television Service in Spanish 0000 GMT 9 Jul 88

[Text] At the conclusion of this newscast, our Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, is at this moment closing the third meeting of Havana enterprises. We have portions of his speech for you.

[Begin Castro recording] Comrades, almost 20 hours ago... [corrects himself] no, not almost 20 hours ago. We have been meeting for almost 20 hours. The topics discussed have been of much interest. Of course, a certain amount of exhaustion always sets in. This is why it does not seem convenient to us to prolong the meeting even though we know that we could be holding discussions here for many days and we would still not have time to discuss many things of great interest.

The most valuable thing about this meeting, the most historic aspect, is that we have begun an analysis of the problems related to accounting and costs. We have completely delved into the economic aspect as a fundamental factor. We are beginning to see things with much more responsibility, awareness, and clarity because this is the key problem.

It comes to mind that our system of management and planning stressed income, income, and more income. It seemed like a festival, a language that was almost capitalist. Nevertheless, costs were not mentioned. [end recording]

Urges Improving Management

FL0907165588 Havana Radio Progreso Network in Spanish 1100 GMT 9 Jul 88

[Text] Yesterday Commander in Chief Fidel Castro closed the third meeting of Havana enterprises. He stressed that while the first meeting held in 1986 reflected the chaos that existed, this one has shown that the party cadres are working in the correct direction.

During the last day of the meeting, the participants discussed topics such as work stability, new labor organization methods in the textile industry, promotions, the work-study system, and cement and iron rod production.

The meeting was held at the Karl Marx theater and was attended by approximately 4,000 delegates and guests, including enterprise directors and leaders of the party, state, government, people's government, the UJC [Union of Young Communists], and trade unions.

In his closing speech, Fidel said that it is important to know how much everything costs, each article, the price of raw material and all other resources that are needed. We live in a time in which we have to work hard, he said, and it is necessary to see work as the instrument that allows us to advance victoriously.

At another point in his speech, Fidel said:

[Begin Castro recording] We are not going back to the times of idealism. On the contrary, we are taking all the consequences and experiences we have from the times of idealism and the times of the profiteers. We will take all the wisdom accumulated by our people, party, and cadres and develop solutions. We will reconstruct the management and planning system, create its basis.

What value do we place on incentives? Do we place a value on them? Should we place a value on salaries? How do we apply the socialist formula? How will we work, measure efficiency? How will we calculate this? How will we award efficiency? No one's against doing this. How will we do it? How will we promote development? We will improve or change ourselves with a better instrument or a better management and planning system for the economy. [end recording]

More on Costs

FL1107222288 Havana Tele-Rebelde Network in Spanish 1323 GMT 9 Jul 88

[Text] [Announcer] Last night Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, closed the third meeting of Havana enterprises.

One of the topics most debated and analyzed by the delegates attending the meeting was that of costs, an aspect that was extensively broached by the commander in chief in his closing remarks.

[Begin Castro recording] The first thing, the most important thing, the very first thing—and this is possible to achieve—is to know the cost of each item. We need to know how much the equipment, material, and salaries cost us. It is perfectly possible to calculate the cost of what we produce. I think this is the first thing we should do. By calculating the cost of what we produce, we can see the relative efficiency of each factory, the relative efficiency of each collective. We can see if two collectives, two factories, are the same. We can see if they have the same situation, the same land, the same sugarcane. If one has costs of 195 pesos and the other has costs of 160 pesos, we can see that this factory, this collective, is working much more efficiently, but they have to be the same.

Only costs will allow us to evaluate the relative efficiency of each collective and industry. As I said, it is more difficult to establish values, to establish prices, but it also is possible. Efficiency then will be measured by the difference between the costs—the cost of what we do or produce—and the value of what we do and produce. [end recording]

[Announcer] During the meeting, the participants analyzed the other factors, such as the setting of productivity norms.

[Begin Castro recording] Something else came up here that is very sticky and very obvious: the eternal contradiction, the eternal and insurmountable contradiction, between the person establishing the norms and the worker. The problem of the permanent revision of the norms was brought up here.

Revisions are being made on the basis of political, revolutionary work in the process of rectification because, as has been pointed out, some norms are incorrect because of this, this, and this, because of many reasons, and they are being corrected. We should try to set norms on a more rational basis. We need to adopt a formula that will put an end to that perennial conflict.

The comrade from the Conrado de Pina enterprise said some workers, when asked to do something, say, I'll do it but don't change my norms. It has the appearance of a lie. It seems like a lie and one cannot avoid the appearance of a lie. Your standard is this and when you have overfulfilled it by 130 then you put it aside and say, now

your norm is 130. If there is a technological change, you have to say: Now your norm is 150, because it's what can be done. It's easy to prove what can be done. I'm convinced of this.

The case of Ariguanabo is a different. This is a new group. They work 6 hours. People have spoken to them and told them: You have to produce this much, then you have to produce this much, and then this much. These are three logical stages of preparation and training. This matter is different.

When one considers a norm to be good, when a norm is thought to be good, rational, the worker has the impression that he is being lied to when it is revised. That is why these phenomena that cause setbacks, not necessarily here but somewhere else, occur. I think we need to find a solution to this problem. We have to think about this in order to solve this conflict. How can we reconcile the norms with the interest of the worker and the person that sets the standards?

The person setting the norm has to calculate, measure, and take the worker's interest into account. I have some ideas on this. I don't want to get ahead of myself because I would like to think more about this matter but I'm convinced that we have to find a more logical solution to this problem. [end recording]

[Announcer] In another part of his final speech, the commander in chief referred to the industrial development of a rich country compared to its well-being which creates contradictions.

[Begin Castro recording] It's not that I'm saying we should have 6 days of vacation or that we should give up that pleasant victory of taking 1 month's vacation and doing what we want to do. Doing whatever we feel like doing is always pleasant even though one does things that are different from everyday activities. We like to think and dream about all these things. We have this. I don't think it's necessary to change this. However, this caught my attention and I was thinking about it.

The most developed, efficient, and productive capitalist country has 6 days of vacation. The underdeveloped country, the country that is developing, the nation that has to do everything ahead of time, has 6 days... [corrects himself] has 1 month's vacation, which can be broken up into 2 parts. Eight hours are converted into 6, into 5 and ½. [sentence as heard] Work is found if there is a day without enough to do. One man cleans the walls, another the floor, while someone else cleans the furniture, yet it's likely that one person can do all three jobs.

The organization established at the thermoelectric plant... [changes thought] There are many cases where one person is doing work that was previously done by three people. This will even be more healthy for the individual. I saw this when I was touring. Now I'm seeing one person here and one person there, (?instead of) three people. This person isn't killing himself, no, on the contrary. The worker is producing more and is more useful to the country. He is reducing costs and even improving his salary.

I defend the opinion that the application of these concepts in all new industries or in an already existing industry that is being restructured creates a true work content for the worker. He saves money for the salary fund. A part of that salary fund can be used to improve the salary of those workers. [applause]

I believe people should truly work for 8 hours. Besides the month of vacation, we shouldn't have 90 days where we do nothing. That's taking everything into account, from the day I visit here or there.

I think they will be eliminating the "I certify that" [los hago constar] document here. I think that will be healthy. Let's see what happens, what it will be like, without the I certify, without the I certifies that's, or the I certify that's. [play on words] Absenteeism here, fluctuations there: This is putting the cart before the horse, and I think we should put the horse before the cart. That is what we're trying to do.

This phenomenon is seen in capitalism, in socialism. This has been seen in almost all socialist revolutions. They want to conquer the sky by assault and the sky cannot be conquered. They sky needs to be constructed, created. [end recording]

Nature of Investments Viewed

FL1107230088 Havana Tele-Rebelde Network in Spanish 1700 GMT 9 Jul 88

[Excerpts] [First announcer] Last night our Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, closed the third meeting of Havana enterprises. Many things were learned from this meeting, which was held for 2 days at Havana's Karl Marx Theater. [passage omitted]

[Second announcer] Fidel's explanation on why state investments are not always of an economic nature was of great interest to the more than 4,000 delegates and guests present at the plenary hall. In reference to this topic, the highest leader of the Cuban revolution said that it is necessary to seek a more even distribution between social advancement and what is invested in the country's economic development.

[Begin Castro recording] Quit building houses. Make the decision to not build houses for 10 years so that you can invest those resources into the economy. What does this create? It creates a terrible social problem and, in the end, it creates a terrible political problem. In the end,

what can you offer the people? You can offer them nothing. They can live in some kind of quarters, seven in a room, without water, without anything.

An aqueduct, as we see it, can be a social expense. If you build irrigation canals and not aqueducts, the city will be left without water. This is a problem.

The polyclinic is not just a simple social expense because the health of the citizen and the health of the worker is indispensable for the economy and services.

Some people make calculations that I never like to make but sometimes they say: So many sick people, so many hours lost at work. I don't ever like to reduce the people's human problems to economic terms. [applause] [end recording]

Further Concluding Remarks

FL1207165088 Havana Radio Rebelde Network in Spanish 1700 GMT 9 Jul 88

[Text] At the conclusion of the Havana enterprises meeting, Commander in Chief Fidel Castro, first secretary of the PCC Central Committee, emphasized that the meeting allowed us to completely delve into the economic field and that that was the most valuable and historical aspect of the meeting. Fidel added that the meeting fulfilled its purpose; it allowed for an analysis of the problems related to accountability and costs, and it allowed for us to begin seeing things with much more responsibility, awareness, and clarity.

[Begin Castro recording] I was able to see in this past year that the construction enterprises, for example, throughout the country did not have the slightest idea of costs, not the slightest idea. They were (?overwhelmed) by the idea of budgets, earnings, bonuses, distribution of awards, and I don't know by how many other things. If you asked a construction worker how much a project cost, he would always talk to you about the budget for the project. [end recording]

Fidel explained that it is not easy to compute costs and that is why it is so important to have a basis to calculate the value and the cost of what is produced.

[Begin Castro recording] It is very important for us to prepare a good basis. In construction, how much does an apartment really cost and how much is it really worth? How much does a dam, road, polyclinic, school, university, industry, or project cost and how much is it worth? [end recording]

He stated these meetings show we will make an extra effort in the creation of a superior management and planning system for the economy.

Nation Bank Head on Foreign Currency Rules

FL0907153188 Havana Radio Rebelde Network in Spanish 2325 GMT 4 Jul 88

[Interview with Hector Rodriguez Llompart, minister president of the National Bank of Cuba, by Daniel Torres; date and place not given—recorded]

[Excerpt] [Torres] Radio Rebelde's "Exclusivo" has just gotten in touch with Hector Rodriguez Llompart, minister president of the National Bank of Cuba, with whom we discussed legal possession of foreign currency in our country. We are bringing up the subject because Western press agencies have referred to new regulations of the National Bank of Cuba concerning the possession and use of foreign currency. That is why, Comrade Minister, I would like you to give us some general information. I take this opportunity to say good evening.

[Rodriguez Llompart] Hello, Daniel. Hello, listeners of Rebelde's "Exclusivo."

[Torres] Yes, yes, go on.

[Rodriguez Llompart] Taking into account what has been established in Decree-Law No 84 of 13 October 1984 regulating the national banking system, the National Bank of Cuba has issued the following regulations on the possession and use of foreign currency throughout the country. The bank has authorized the issuance of instruments of payment to be used by tourists and foreign visitors called foreign currency certificates A and B.

A certificates are used by the foreign visitors from socialist countries. They have been issued in denominations of 1, 3, 5, 10, and 20 pesos. Their value is in Cuban pesos. The use of B certificates is optional for visitors and tourists from capitalist countries. These certificates are equivalent to U.S. dollars. They have been issued in denominations of 1, 5, 10, 20, and 50 pesos. They can be obtained from the exchange of any of the 18 freely convertible currencies accepted in our country by the National Bank of Cuba.

[Torres] Mr Minister, I have a question. Where can A and B certificates be purchased?

[Rodriguez Llompart] The certificates can be purchased in some branches and agencies of the National Bank, at the People's Savings Bank, and the exchange centers set up in the various tourist facilities authorized for these purposes. When tourists and foreign visitors arrive in our country, they will have to declare to customs officials the amount of freely convertible currency, without limits, that they are carrying with them. As of this time, they are not obliged to exchange this currency for currency certificates of the B kind. With these instruments of payment and/or the certificates [as heard], products and

services can be obtained in stores and restaurants, and other tourist establishments specifically authorized to operate with foreign currency.

Before leaving Cuba, they will be able to turn in all the B certificates they have and exchange them for foreign currency in the Bank's agencies located at exit points.

In 1987, and given that foreign scholarship holders and other Cuban citizens and permanent foreign residents in Cuba possessed foreign currency, it was necessary to issue resolutions jointly with the Domestic Trade Ministry and the State Committee for Finance to regulate the use and possession of this foreign currency. It was also necessary to create other instruments of payment to be used by these groups of people different from those used by foreign visitors and tourists. To this effect, the National Bank of Cuba issued the foreign currency certificates in the D and C category. These are equivalent to the U.S. dollar and can be obtained in agencies of the People's Savings Bank for freely convertible currency accepted by the bank and the currency we mentioned earlier.

The resolutions are: first, regulations on the possession and use of foreign currency on national territory by foreign scholarship holders. These regulations provide for the exclusive use of this group of D certificates for purchases in establishments of the (Comintur) store chain; the purchase of tickets for international travel from the transportation lines accredited in Cuba; and their re-exchange for U.S. dollars at National Bank of Cuba agencies located at exit points. The foreign scholarship holders must exchange all freely convertible currency they carry with them on arrival in the country or any received from abroad through established channels. They will get these D certificates in return. Foreign scholarship holders will not be able to carry foreign currency inside the national territory. Otherwise, they will be guilty of crimes involving the possession of and illegal trafficking in foreign currency as defined and sanctioned in the existing penal legislation.

As an additional piece of information, I can tell you that we expect to have more than 25,000 foreign scholarship holders in Cuba this year. On the Isle of Youth alone, there will be more than 17,000.

We have also issued a resolution on the possession and use of foreign currency within the national territory by foreign citizens residing permanently in Cuba. This resolution establishes that all foreigners residing permanently in Cuba are under the obligation to exchange the foreign currency that they receive or bring with them when entering the country. The certificates to be used are purchase certificates C. These are denominative and nontransferable. They may be used to purchase goods in establishments that are part of the authorized store chains and/or to buy tickets for international travel.

I can tell you that there are nearly 30,000 permanent residents from capitalist countries in Cuba.

Another resolution issued by the Bank refers to the possession and use of foreign currency inside the national territory by Cuban citizens residing permanently in Cuba. This resolution authorizes eight groups of Cuban citizens to exchange freely convertible currency for purchase C certificates: workers, functionaries, and leaders who permanently work in Cuban missions abroad; functionaries and workers assigned to international organizations overseas; volunteer and internationalist workers abroad; crews of aircraft, merchant ships, and fishing vessels; those who work in foreign embassies and entities in our country; those who receive inheritances and other legal funds from abroad; artists and intellectuals; and cultural workers. All these groups receive income in freely convertible currency and can make purchases at the chain of stores accepting this kind of currency.

Well, Daniel and Garrido [Rebelde's mobil unit reporter with Rodriguez Llompart], we have had the chance to begin, to be the pioneers in this new Rebelde program, "Exclusivo." We wish it and other Rebelde programs success. Rebelde has a broad audience. [passage omitted]

Further on Measures

FL0907173388 Havana Radio Rebelde Network in Spanish 2352 GMT 4 Jul 88

[Interview with Jose Julio Rodriguez, vice president of the National Bank of Cuba, and Teresa Montes de Oca, director for foreign exchange control at the National Bank of Cuba, by mobile unit reporter Fernando Garrido, from the "Exclusivo" program hosted by Daniel Torres—live]

[Text] [Garrido] Good evening.

[Rodriguez] Good evening, Daniel. Good evening, Garrido. Good evening to "Exclusivo" listeners.

[Torres] Good evening to you.

[Rodriguez] We are ready to answer any questions you might have, as well as to give additional information on the resolutions mentioned by Hector Rodriguez Llompart, minister president of the National Bank of Cuba. As National Bank representatives, we can say that since these resolutions were issued, we have been closely following their implementation. In particular, we have been taking steps to resolve problems that functionaries and other individuals involved have been bringing to our attention. Basically, in the case of the functionaries, they mentioned the time wasted during their vacations here to buy the certificates in the Bank's agencies. We have arranged for many of these organizations for which they work to sell them these certificates directly so they won't have to go to the Bank and perhaps spend some time to take care of this business.

The implementation of the resolutions has been proceeding normally. As with everything new, we have had some complaints, but we have tried, within our capabilities, to solve all those problems that have cropped up. There are

still some problems to be solved, for instance, the problem of return change. Right now, there are no provisions for return change when using certificates. It is given in national currency. This has caused some complaints by the functionaries, since, as they make their purchases, they lose some of the capability to use this foreign currency, inasmuch as the money they get back is in pesos. These certificates are denominative; in other words, they are nontransferable. They can only be used by the people they are sold to. Because of this, it is difficult to solve the problem, but we are studying some alternatives.

[Garrido] If you allow me, Comrade Jose Julio, I would like Comrade Montes de Oca to talk about the concerns conveyed to us by some functionaries and workers who are working in capitalist countries on a nonpermanent basis. They ask about the amount of per diem assigned to them, the fluctuation of this per diem as a consequence of the dollar devaluation depending on the country involved, and, of course, their reversion to the national economy.

[Montes] Good evening, Garrido. Good evening, Daniel. Good evening, "Exclusivo" listeners.

[Torres] Good evening, Teresa.

[Montes] We are talking about an area not exactly regulated by the National Bank of Cuba, but we would like to clarify some points. The State Committee for Finance is the agency that sets the per diem for travelers to capitalist countries. There is a study underway to see if their per diem could be used in the expenses incurred during their stay in these countries for business or other official matters. [sentence as heard] I don't know if we can conclude anything from this, although we know that this, of course, involves many considerations and we need to keep studying other possibilities, other alternatives. Logically, these have to be coordinated with the State Committee for Finance and other agencies participating in the study of this type of assigned per diem.

[Torres] Well, Teresa, this is certainly a very important and hence extensive topic. We thank you both and we thank Comrade Garrido for your participation in our program.

ANAP President Comments on 'New Structure'

FL1207165188 Havana Tele-Rebelde Network in Spanish 1100 GMT 12 Jul 88

[Text] The main characteristics and content of the new structure of the National Association of Small Farmers [ANAP] approved by the PCC Politburo have been discussed by Orlando Lugo Fonte, president of the organization. In a news conference granted at the ANAP offices, Lugo Fonte noted that the implementation of the new structure is based on objective and subjective conditions. He said municipalities will have only three members of the professional bureau and a post involving instruction will be created. The organizational and ideological fronts will be united. Cooperatives will have a board of directors to manage production while the ANAP will be in charge of political and ideological matters.

[Begin Lugo recording] After we have applied the structure for a few months, we will see for ourselves what the implementation of the structure will represent for cooperatives and the country's economy. This will allow us to work better with our peasants in the political and ideological field. It will also allow the board of directors and president to manage cooperatives more efficiently. In this way, the president will have more comrades helping him to carry out the main tasks of cooperatives which are to produce; to raise the standard of living of peasants, of peasant families; and to contribute to the country's economy and the construction of socialism. [end recording]

Economic Losses at Construction Site Discussed

FL1307015688 Havana Radio Rebelde Network in Spanish 2318 GMT 12 Jul 88

[Report by Jose Suarez on the "Exclusivo" program]

[Text] Child care center No 1 has been under construction in San Miguel del Padron municipality. It was scheduled to be inaugurated on 26 July and have a capacity of 180 children. The project costs 250,000 pesos.

Nevertheless, the reality of this project is truly depressing. It is located on 5th Street between D and C Streets in the Maria Cristina neighborhood in San Miguel del Padron. A brigade from the Jose Maria Perez contingent of the Transportation Ministry is responsible for this construction project. The child care center and four other construction projects in the area have had their completion dates affected. The cost of the center has also been affected by serious losses in materials and salaries, construction time, and man hours, all of which drastically increases the price of the project.

The most regrettable fact is that the management of the Havana City Province aqueduct and sewer system has destroyed roads, sidewalks, and potable water lines, and done poor cement work at child care center No 1. This has blocked access roads to the projects, flooded neighboring homes and the projects themselves with sewer water, and impeded the timely and proper construction of such an important social project. Even potable water sources in the area have been contaminated.

Comrade Humberto Silva, of the management of the Havana City aqueduct and sewer system, and Balbino Fole, first secretary of the party in San Miguel del Padron, visited the area about 2 months ago and told the working masses that the aqueduct and sewer projects would be completed in 10 days.

The measure adopted was to remove the construction brigade, stop the projects, and abandon bulldozer No 146 of group No 5 of the aqueduct and sewer system management. This is a deplorable state of affairs.

Material resources have been seriously affected, as well as the political work between construction brigades and neighborhood residents, from the poor planning and implementation of a task that, socially, should render beautiful fruit. However, in objective reality, this project does not correspond to what subjective [words indistinct].

Those responsible for this project have the next word.

Risquet in Zimbabwe for Cooperation Talks

FL1207194488 Havana Radio Reloj Network in Spanish 1932 GMT 12 Jul 88

[Text] Today Jorge Risquet, member of the PCC Politburo and secretary of the Central Committee, arrived in Zimbabwe on an official visit.

Risquet heads the Cuban delegation to the second working session of the Joint Cuba-Zimbabwe Economic and Scientific-Technical Cooperation Commission which will begin meeting tomorrow at one of the halls of the Harare International Conference Center.

In remarks to the press, the Cuban leader said his stay in Zimbabwe will be very useful for the two countries. This will help expand the ties of friendship and identity in the struggle of our two combative people, he said.

Risquet will be received by Zimbabwean President Robert Mugabe, to whom he will convey a message from Commander in Chief Fidel Castro. Risquet and Mugabe will discuss several matters, including the conflict in southwest Africa.

Trade Talks With Uganda Held in Kampala

FL0907132588 Havana Radio Reloj Network in Spanish 0242 GMT 9 Jul 88

[Text] Eriya Kategaya, first deputy prime minister of Uganda, has described the Cuban-Ugandan trade by compensation as exemplary. He was speaking at the end of the meeting of the joint committee held in Kampala. Kategaya said this form of exchange should be used among underdeveloped countries as a means of trade without the need for spending foreign exchange. He stressed that possibilities for increasing this type of trade between Uganda and Cuba are unlimited.

The Cuban delegation and the Ugandan officials examined the fulfillment of the existing protocol, as well as the prospects for next year.

Cuba and Uganda signed the first protocol for trade by compensation in (?1986) in Kampala. The two countries exchanged $30 million in goods that year.

Preventive Measures Against AIDS Urged

FL1207154288 Havana Radio Reloj Network in Spanish 1407 GMT 11 Jul 88

[Text] Sexually transmitted diseases have existed for hundreds of years in the world; they are commonly known as venereal diseases. Because of the number of people who become infected through sexual relations, syphilis and gonorrhea, and their complications, are the diseases which affect our country the most. With the discovery of certain methods to counteract those afflictions—penicillin, basically—our people developed a sense of security which caused the abandonment of preventive measures and the explosion of sexually transmitted diseases. AIDS is another venereal disease which has currently caused a major health problem at the world level. Groups between 15 and 24 years of age are the ones most affected by gonorrhea and groups between 20 to 29 years of age with syphilis. This year in Cuba, approximately 35,000 cases of gonorrhea and 7,000 cases of syphilis have been reported. To date, 200 zero positive people have been detected with AIDS, 27 of whom have become ill and 7 of whom have died.

This situation forces our people, adolescents in particular, to take preventive measures. Such measures include the selection of the appropriate partner, avoidance of constant change of partners, and the use of a condoms in risky relationships—although it has been proven that this is not an absolute guarantee. It is important to realize that all those people who have had syphilis and gonorrhea in the last few years have a high risk of contracting AIDS.

Barbados

Two Sugar Industry Factories To Be Closed

FL1207223788 Bridgetown CANA in English 2147 GMT 11 Jul 88

[Text] Bridgetown, Barbados, July 11, CANA—Two factories in Barbados financially-troubled sugar industry, which has more operating capacity than it needs, are in the process of being closed, government and industry sources said Monday.

We have more capacity than anticipated levels of production require, Noel Symmonds, spokesman for the privately-run Barbados Sugar Industry Ltd, told CANA .

Two hundred workers in an industry that provides work for between 4,000 and 5,000 persons will lose their jobs as a result of the closure of Haymans and Foursquare factories.

The Ministry of Agriculture said in a statement it was satisfied there was more than adequate grinding capacity available at the four remaining factories to satisfy the immediate and foreseeable needs of the industry. The ministry said cabinet agreed on July 7 to accept the decision to close the factories.

Barbados is anticipating output of more than 80,000 tonnes of sugar this year—less than the crop target of 85,000 tonnes. Symmonds said that with some minor capacity expansion the remaining four factories could produce over 100,000 tonnes of sugar. He added that additional mechanisation was expected to be used in the north of the island next year to tackle labour shortages.

Dominica

Prime Minister Charles Presents Budget

FL1207190288 Bridgetown CANA in English 2036 GMT 11 Jul 88

[Text] Roseau, Dominica, July 11, CANA—Prime Minister Eugenia Charles on Monday presented a tax-free EC178 million dollar budget which contained over one million dollars in concessions. Charles, in a 55-minute address to Parliament, said the budget was aimed at further stimulating business activity on the island.

The major concessions were a reduction from 1.5 to one percent of a customs service charge levied on all imports, and the abolition of a 1.5 percent levy on the purchase of foreign currency for non-trading purposes. Both measures are expected to result in a revenue loss of 1.6 million dollars.

Charles, in her capacity as minister of finance, also proposed to remove a 10 percent consumption tax on locally produced paints on condition that the distributors will reduce the selling price by about 23.5 percent. The purpose of this measure, she said, was to encourage house owners to brighten up their homes during Reunion 88, year-long celebrations leading up the island's 10th anniversary of independence in November. The 1988 budget for the fiscal which began on July 1, was 25.2 million dollars higher than last year's.

Recurrent expenditure, including provision for debt servicing, was put at 101.4 million dollars and revenue at 105.9 million, with a projected surplus of 4.5 million dollars on current account. Capital expenditure was put at 76.6 million dollars.

Visiting Guyana President Desmond Hoyte, on an official visit here under the Reunion 88 programme, was in the House of Assembly to hear the presentation.

Charles referred to the focus of her government's programme over the last two years, which included proposals for the privatisation of electricity services, a review of the port charges to provide incentives to productive investment, feeder roads expansion, water improvement, and the removal of price controls and trade restrictions in a manner consistent with the strategy being pursued in the Caribbean Community (Caricom).

She said the broad objectives of the programme, which saw a substantial level of public sector investment, had been realised.

Charles reported a 4.6 percent real economic growth last year, led mainly by expansion in agriculture, tourism, construction, and transportation.

The government is forecasting growth of four percent this year.

Debate on the budget will begin on Tuesday morning.

Haiti

Commerce Ministry on Venezuelan Oil Products

FL1307211088 Port-au-Prince Radio Nationale in Creole 1300 GMT 13 Jul 88

[Text] The Ministry of Commerce and Industry has sent us a press release. In response to the rumor in the street that Venezuela has cut off sending petroleum products to Haiti and that sending these products constituted a favor to Haiti, the Ministry of Commerce and Industry explains to the public that the Haitian Government has not signed any contract to that effect with Venezuela.

The note continues: In October of 1986, contacts were made by Venezuelan energy sector authorities to see if they could furnish to Haiti—on a commercial basis, and not as a favor—certain petroleum products. These contacts have not gone much farther since then. To this day, the Republic of Haiti has neither negotiated nor signed any official bilateral contract with the Venezuelan Government in this domain.

Also, the Haitian Government does not import petroleum products. Foreign companies here in Haiti handle this. They organize the market. Therefore, in principle those companies are supposed to supply Haiti with petroleum products. They get these products from whomever they want. The price [in Haiti] depends on the price [abroad] or on the availability of the products.

The Ministry of Commerce and Industry reminds everyone that up to now, the Haitian Government has always seen to it that these companies are in a position to meet their obligations and pay the supplying country on time in the necessary foreign currency.

That was a press release from the Ministry of Commerce and Industry. That was Colonel Eric Brunel Lamour, Haitian Armed Forces, minister of commerce, saying that Haiti has never signed any contract, any protocol, with the Venezuelan Government to import petroleum products into Haiti.

Jamaica

PNP Regrets Caricom Lack of Action on Haiti

FL1207225488 Bridgetown CANA in English 2240 GMT 12 Jul 88

[Text] Kingston, Jamaica, July 12, CANA—Jamaica's opposition Peoples National Party (PNP) has expressed regret at the failure of Caribbean Community (Caricom) leaders to

arrive at a united response to the political turmoil in Haiti. The PNP condemned the role played by the Jamaican Government in the issue, according to a statement by the party's National Executive Council (NEC).

At their summit in Antigua last week, Caricom leaders failed to agree on what to do about Haiti and left intact its observer status on four of the community's standing committees.

The contention that action against Haiti would damage the country's economy and hurt the Haitian people was hypocritical and to give aid and comfort to those who oppose sanctions against South Africa on similar grounds, the opposition party said in reference to the stand of Prime Minister Edward Seaga. [sentence as received]

The NEC calls upon all Caricom governments to act in a principled and consistent way so as to provide effective moral support to the Haitian people in their struggle for an end to exploitation by corrupt military oligarchies and the achievement of constitutional government, democratically chosen...the statement said.

St Vincent and the Grenadines

Prime Minister Announces 1988-89 Budget

FL1207184888 Bridgetown CANA in English 2130 GMT 11 Jul 88

[Text] Kingston, St Vincent, July 11, CANA—Prime Minister James Mitchell on Monday announced concessions that would wipe several nationals of St. Vincent and the Grenadines off the income tax list.

Mitchell, who holds the finance portfolio as well, also increased the government's allocation to community development programmes when he presented the 1988-89 national budget in Parliament. He announced too a hike in the departure tax.

Mitchell came up with 223.3 million East Caribbean dollars (one EC dollar; 37 U.S. cents) for government's recurrent and capital expenditure for the fiscal year. The budget grants the further EC5,000 dollar income tax concession the New Democratic Party (NDP) promised tax payers when it came to power in July, 1984. The new concession is to come into effect from income year, 1989. This is estimated to cost government EC7 million dollars in one income year, while tax payers in every income bracket should derive benefits in varying amounts. Mitchell said: An estimated 68 per cent of persons currently paying taxes will now pay no taxes under this agreement.

The budget also provides for increased grants to the poor by increasing the allocations to community development programmes from EC2.7 million dollars to EC3.6 million dollars.

Restructuring of the civil service and expanding our tax concessions to citizens are the essential ingredients in producing this balanced budget, Mitchell said.

The budget represents an increase of EC41.1 million dollars or 22 per cent over the 1987/88 package.

The spending comprises EC123.6 million dollars for recurrent expenditure and EC99.7 million dollars for capital projects. The capital expenditure shows an increase of 43 per cent over the previous year, with EC11.4 million dollars of the amount expected to be financed from local revenue.

Prime Minister Mitchell said the balance would come from external grants (EC39 million dollars), external loans (EC39.6 million dollars) and bonds (EC9.6 million dollars). Recurrent expenditure for the new year is 9.6 per cent higher than last financial year and will be met entirely from recurrent revenue.

Tax revenue will provide EC101.4 million dollars, non-tax revenue will account for EC0.7 million dollars, revenue from government departments is expected to provide EC8.8 million dollars with EC3.7 million listed as revenue from financial institutions.

The budget does not contain any new significant fiscal measures but rectifies the inequitable arrangement between charges on beer, malt and stout from countries belonging to the Organisation of Eastern Caribbean States (OECS) and non-OECS nations. Presently importers of beer, malt and stout from the OECS area must pay an equalization duty in addition to consumption tax to provide non-OECS products with a competitive advantage. The two charges will now be merged into a single consumption tax and the current tax imposed on the products imported from countries outside the OECS sub-region will be increased to bring them on par with local and OECS products.

Mitchell also announced that the departure tax will from Tuesday be increased from EC7 dollars to EC10 dollars for persons with resident passports, and from EC14 to EC15 for foreigners.

Agriculture, forestry and fisheries will utilise most of the EC99.7 million dollar capital budget, accounting for 18.6 per cent. EC17.6 million dollars will be spent on industry and mining, EC12.2 on other economic programmes, and EC11.9 on transport and communications. The rest is to be spent on energy, education and training, health and sanitation, water and sewerage, housing, social development and tourism.

St Vincent and the Grenadines economy is officially estimated to have grown by 3.2 per cent last year, with gross domestic product up by over 3 per cent. Mitchell felt the growth reflected a generally bouyant economic performance despite sluggish growth in some key secors. He noted that unemployment remained a major problem.

Mitchell said: Public construction projects and fiscal incentives to the construction and tourism industries have helped somewhat, but the problem is in the main structural, and will not be significanly alleviated until our policies and programmes for structural transformation and diversification of the economy take full effect. He said, however, government was making commendable headway in its comprehensive land reform programme, which, when fully implemented, would transform the inequitable land tenure strucure that was a legacy of the plantation culture, while addressing the issues of improved rural infrastructure, credit opportunities and input supply services.

Inflation last year rose by 3 per cent—a figure which Mitchell regarded as remarkably low and as a reflection on the increase in inflation in the United States, one of the major sources of imported capital and consumer goods.

The Caribbean country's visible trade deficit stood at EC63.4 million dollars last year, an increase of 97 per cent over 1986, while imports increased by 12 per cent. Mitchell said this was mainly due to the implementation of the Cumberland hydro-electric project and the telephone service expansion programme.

Exports fell by 19 percent, a fact attributed chiefly to natural disasters and to deteriorating conditions in regional markets, principally Trinidad and Tobago.

Mitchell said his government was able through prudent fiscal policies and continued careful management of public finances, to achieve a budgetary surplus of EC10 million dollars on last year's current account. Mitchell declared: This government does not seek to achieve budgetary surpluses on current account as an end in itself but as a means to an end. He said that in an economic environment in which some traditional donor countries were reducing rather than increasing aid in real, and even nominal terms, St Vincent and the Grenadines would have to become increasingly responsible for carrying a significant share of the financing required for its own development.

Mitchell added: Our prudent budgeting not only allows us to provide required counterpart funds for projects which are largely financed through grants or loans on concessional terms, and to implement certain projects entirely from our own resources, but conveys a most important signal to donors and international financial institutions.

Final CFE Results Give Salinas Victory

PA1407050788 Mexico City Red Nacional 7 Imevision Television in Spanish 0430 GMT 14 Jul 88

[Text] We can report that according to the Federal Electoral Comission [CFE], PRI candidate Carlos Salinas de Gortari won the presidential elections with 9,641,329 votes, equivalent to 50.36 percent. Cuauhtemoc Cardenas Solorzano, candidate of the National Democratic Front, obtained 5,956,988 votes. Manuel de Jesus Clouthier, candidate of the National Action Party, obtained 3,267,159 votes. Gumersindo Maganas of the PDM [Mexican Democratic Party] obtained 199,484 votes, equivalent to 1.04 percent of the national votes. Mrs Rosario Ibarra obtained 80,052 votes, equivalent to 0.42 percent.

A total of 19,145,012 citizens voted on 6 July to elect the country's president.

The CFE also made known tonight the total results in the election of senators. According to the CFE, the PRI won 60 senate seats in 30 states around the country. The coalition formed by the Popular Socialist Party, the Authentic Party of the Mexican Revolution, and the Cardenist Front won the two Senate seats in the Federal District. The coalition formed by the Popular Socialist Party, the Mexican Socialist Party, and the Cardenist Front won the two Michoacan State Senate seats.

PRI Legislative Majorities

PA1407054488 Madrid EFE in Spanish 0512 GMT 14 Jul 88

[Excerpts] Mexico City, 13 Jul (EFE)—According to the final figures released by the Federal Electoral Commissin (CFE) tonight, in addition to winning the Mexican Presidency, the PRI won a majority of seats in the Chamber of Deputies and Senate in the 6 July elections.

The multiparty CFE also announced that the ruling PRI obtained a majority in the Assembly of Representatives of the Federal District (the country's capital). [passage omitted]

Federal Deputies:

PAN [National Action Party] won in 31 of the 300 electoral districts.

PRI won in 249 districts.

FDN-PMS [National Democratic Front-Mexican Socialist Party] won in 20 districts.

Senators:

PRI won in 30 states.

FDN won in the Federal District and Michoacan State.

Representatives to the Federal District Assembly:

PRI won 24 seats.

PAN won 13.

FDN won 3. [passage omitted]

Government Reports Surplus in Trade Balance

PA1107140088 Mexico City EL DIA in Spanish 8 Jul 88 p 9

[Article by Maria de Jesus Espinoza]

[Text] The country's trade balance showed a $2.244-billion surplus in the first 5 months of 1988. This figure is 45.6 percent lower than the figure reported during that period last year.

Mexico's Planning and Budget Secretariat [SPP] made the announcement. It added that during this same period oil exports dropped by 16.6 percent, although non-oil exports rose by 16.1 percent. This way, the drop in oil revenues was offset by non-oil sales.

Statistics show that non-oil exports rose to $1.233 billion in May and that sales of manufactured products make up 82 percent of this.

Likewise, it was reported that oil exports were $658,300,000. This figure is slightly higher than April's, although it is 12.2 percent lower than the figures for May 1987.

The SPP said exports totalled $1.890 billion in May. It added that imports came to $1.557 billion. As result, May's trade balance showed a $333-million surplus. This is the same figure as April.

The SPP said most imports are for the purchase of goods or raw materials needed for production.

Regional Satellite Information Exchange Planned

PA1307231288 Mexico City EL NACIONAL (ESPECTACULOS Section) in Spanish 11 Jul 88 p 1

[Article by Ruben Garcia Cruz]

[Text] Angel Trinidad Ferreira, director general of the National Newscast System of the Mexican Television Institute, IMEVISION, has reported a plan to exchange information by satellite between member countries of the Latin American and Caribbean Radio Broadcasting Union, ULCRA.

The plan's official name is Latin American News System [SLAN]. Ferreira added: "This plan has not yet been put into effect because of the high cost of satellite operation."

For the time being, however, ULCRA member countries have offered to exchange videotaped information only. These programs have already been broadcast in Mexico.

ULCRA, which has a membership of 12 countries, is headed by Jesus Hernandez Torres, who is also the current Radio, Television, and Cinema, RTC, director general.

Ferreira pointed out that SLAN will serve as an instrument to protect the cultural identity of Spanish-speaking Latin American countries. In addition, the system will gather reliable current information from these countries. "No specific date has been set to start the project," Ferreira added.

He also said IMEVISION had signed an agreement with Channel 52 of Los Angeles for some of IMEVISION's programs to be received in U.S. cities. He said a similar agreement had been signed with Argentina. "On Sundays, Channel 7 of Buenos Aires broadcasts newscasts produced in Mexico," he said.

This is only the beginning of SLAN.

In conclusion, Ferreira expressed satisfaction with the operation of the National Newscast System under his leadership.

Government Authorizes Extradition to U.S.

FL1307163388 Mexico City NOTIMEX in Spanish 0510 GMT 13 Jun 88

[Text] Mexico City, 12 Jul (NOTIMEX)—Today the Foreign Secretariat reported that the Mexican Government has agreed to extradite Veronica Kiera Whal to the United States. Kiera Whal is presently detained in Merida, Yucatan, for drug smuggling. A press release issued by the secretariat indicates that in September 1987 the U.S. Government, through its embassy in our country, formally requested Kiera Whal's extradition.

There is an order for her arrest filed by U.S. federal officials because of drug trafficking charges. Kiera Whal was involved in drug smuggling and, apparently, there is evidence that she transported over 6,000 kg of cocaine from Colombia to the United States between March and September 1982.

For her part, the defendant filed an injunction petition before the chief district justice in Yucatan to stop the extradition order. The injunction was denied on 20 May.

Judge Francisco Javier Patino decided not to grant the petition because he believed the extradition resolution issued by the Foreign Secretariat is in line with the norms contained in the current international extradition law.

Since Kiera Whal did not appeal the magistrate's decision, the Foreign Secretariat notified the U.S. Embassy in Mexico that the extradition of the alleged drug smuggler was being authorized.

The Mexican Foreign Secretariat reported that it is only waiting for the U.S. Government to report who the officials in charge of receiving the detainee will be in order to hand over Veronica Kiera Whal.

Briefs

1988 Drug Fight Statistics

Mexico City, 8 Jul (NOTIMEX)—Almost 4 tons of cocaine and 166,504 kg of dry marijuana have been seized and 5,641 alleged drug smugglers arrested as a result of various actions within the permanent campaign against drug trafficking carried out during the first 6 months of the year. This was reported by the Attorney General's Office. It added that, according to the General Directorate of Technical and Criminal Services, 24,698 poppy and marijuana fields covering 2,439 hectares were located and destroyed in various parts of the country during this period of time. The Attorney General's Office also reported that 1,150 land vehicles, 16 aircraft, 11 vessels, and 2,035 firearms of various calibers were confiscated, as well as 249 kg of opium by-products such as opium paste, heroin, and morphine. Five clandestine laboratories which processed these types of drugs were destroyed. [Text] [*FL1307183099 Mexico City NOTIMEX in Spanish 0455 GMT 9 Jul 88*]

PRC Trade Relations Increase

Mexico City, 21 Jun (NOTIMEX)—Mexico and the PRC will considerably increase their trade relations when Mexico exports a shipment of sugar valued at $60 million. Today the LA JORNADA morning newspaper reported that the sale of 300,000 tons of sugar to China will increase the bilateral trade volume to the largest amount since the two countries established diplomatic relations 15 years ago. The newspaper reports that other types of exchange will also exist, such as the establishment of a marketing firm composed of the Mexican Foreign Trade Bank and the Chinese International Trust and Investment Corporation (CITIC). The establishment of some Chinese industries in the free zones at the Mexican-U.S. border is also expected, says the newspaper. [Text] [*FL1307022188 Mexico City NOTIMEX in Spanish 1616 GMT 21 Jun 88*]

Costa Rica

Arias Regrets Recent Developments in Nicaragua

PA1307142888 San Jose Radio Reloj in Spanish 1225 GMT 13 Jul 88

[Text] President Oscar Arias has regretted developments in Nicaragua over the past few days, because getting the Sandinists to comply with points that are important to Costa Rica involved very hard work. The president was referring to steps taken toward achieving a more just, pluralist, democratic, and free society. Arias believes such steps should be irreversible. That is why, he added, there is no reason to regress, which is what appears to be happening in Nicaragua in the wake of the Nandaime events last Sunday.

President Arias believes democracy and liberty are more dangerous to a Marxist than 100 combat planes or 1,000 tanks. He added that this confirms our position that negotiation and dialogue are the best means for a regime based mainly on military force to achieve pluralism. That is the case in Nicaragua, where dialogue and negotiation have created certain opportunities, but recent developments certainly are a regression, Arias said, adding: This only encourages a continuation of the war.

President Arias said a resumption of war in Nicaragua would bring very serious consequences, especially for Costa Rica. The silencing of guns for many weeks and our staying away from Central American conflicts for more than 2 years has brought about economic reactivation, Arias added. Arias said Costa Rica is today the only country in the region facing an optimistic outlook regarding the creation of jobs, growth of wealth, and increases in production. If the war resumes in Nicaragua, however, we will be affected, and the Nicaraguan people will suffer a heavy blow, he said.

Over the past few days President Arias has been making efforts to encourage a resumption of the dialogue between the Nicaraguan Resistance and the Sandinist government. Farid Ayales, Costa Rican ambassador to Managua, has made contacts. The president said he hopes to speak to Daniel Ortega over the telephone. Arias believes the dialogue between the contras and the Managua government should take place outside Nicaraguan territory, but somewhere in Central America.

Guatemala

Foreign Minister on Ties With Egypt, Mideast

JN1307125488 Cairo AL-JUMHURIYAH in Arabic 11 Jul 88 p 2

[By Muhammad Isma'il]

[Excerpts] Guatemalan Foreign Relations Minister Alfonso Cabrera Hidalgo has stated that his country's decision not to transfer its embassy from Tel Aviv to Jerusalem is firm and irrevocable. He said that the future of Egyptian-Guatemalan relations is full of hope and that Guatemala is holding contacts with friendly Egypt to promote bilateral relations. Guatemala, he added, has good relations with the Arab world and is working to expand them by opening embassies shortly in Saudi Arabia and the UAE [United Arab Emirates]. In an exclusive statement to AL-JUMHURIYAH, the Guatemalan foreign minister expressed his country's readiness to exert its efforts and use its good offices to bring the views of the disputing parties in the Middle East closer in light of Guatemala's excellent relations with Egypt and its good relations with Israel, referring to the international conference for peace in the Middle East.

Following are the minister's answers during the interview:

The future of our relations with friendly Egypt is full of hope and we are holding contacts with it. These relations can be promoted to realize peace, each in its own region. We will also open embassies in Saudi Arabia and the UAE shortly. We have good relations with Iraq.

As I have said, our relations with Egypt are excellent, special relations. Egypt is a good model for us. Our policies in Guatemala call for human solidarity and we work for peace. We are prepared to extend assistance to the extent that our resources permit. We always want to be friends with all peace-loving peoples.

I had the honor of meeting with President Mubarak and handing him a letter from President Arevalo Cerezo, including an invitation for his excellency to visit Guatemala. [passage omitted]

I would like to say forthwith that we have good relations with Israel among other states which offered us great assistance. Of course, we hope that peace will be realized in the Middle East through talks and negotiations to resolve problems. Because we are friends with Egypt and have good relations with Israel at the same time, we are prepared to exert our efforts and use our good offices in order to bring views of various sides closer. My government holds that an international conference for peace in the Middle East with the participation of all parties concerned—a conference for which Egypt is calling—is worthy of the current endeavors to convene as a suitable means of advancing the peace process and resolving the region's problems.

As I told you, our principled stand is to support policies and actions that lead to a political and negotiated solution. We believe that an international conference for peace in the Midle East is a suitable mechanism for discussion and dialogue and for reaching a solution to problems.

I do not want to answer on behalf of other states. They have the right to answer that. As for the transfer of the embassy, our firm, principled, and irrevocable position is that our embassy will not be transferred from Tel Aviv.

Honduras

Government Minister on U.S.-Nicaragua Conflict

PA1307184088 Tegucigalpa Voz de Honduras Network in Spanish 1120 GMT 13 Jul 88

[Interview with Government and Justice Minister Enrique Ortez Colindres by Jose Domingo Flores; date and place not given—recorded]

[Excerpts] [Ortez] It is regrettable that at this time both Nicaragua and the United States are taking strong measures and countermeasures. I understand there has been a sort of expulsion of ambassadors and other diplomats from both countries. We have also learned that freedom of expression in Nicaragua has been curtailed and that LA PRENSA and a radio station, Radio Catolica, have been closed.

As Hondurans, we are spectators. The executive branch has asked me to coordinate a policy between the Foreign, Defense, and Public Security Ministries and other agencies. We are already calmly analyzing the possible repercussions. [passage omitted]

[Flores] Will the contras' presence be more strongly felt now?

[Ortez] The contras are an insurgent movement that at this time is trying to ensure compliance with what can be described as the international commitments Nicaragua made during the most recent foreign ministers meeting. If there is a setback, however, those affected will not move to the sky or to the sea. Instead, they will go to bordering countries, including Costa Rica and Honduras. In other words, we will be involuntarily affected by a population growth we do not want. We must be prepared for it, however, so we can find an adequate, humane solution.

Nicaragua

Ortega on Government Decisions, U.S. Actions

PA1407002388 Managua Domestic Service in Spanish 2310 GMT 13 Jul 88

[News conference held by President Daniel Ortega with unidentified reporters after meeting with group of war orphans in Managua on 13 July—recorded]

[Text] [Ortega] We must bear in mind that Nicaragua is a country that received a particularly favorable report from the International Verification and Follow-Up Commission, which is comprised of the United Nations, the OAS, eight Latin American countries, and the Central American foreign ministers. It clearly demonstrated that Nicaragua is the only Central American country that has really implemented the Esquipulas agreements. Therefore, Nicaragua's sovereign position to make these decisions at a time when security is threatened does not go against the spirit of the Esquipulas agreements. Instead, these actions involve maintaining order in accordance with the Nicaraguan Constitution, which, as we have emphasized, is related to a point in the Esquipulas agreements that should be respected. We said that the implementation of the Esquipulas agreements should fall within the constitutional framework of each Central American country. Therefore, when there is an attempt to violate those agreements, as the United States tried to do by using armed and unarmed mercenaries—all of which were organized by the U.S. Embassy—then we have to take appropriate steps to preserve order in accordance with our Constitution.

[Reporter] Commander, the parties have argued that the Melton plan was an invention of the Sandinist Front. Specifically, Socialist and Conservative Party leaders have said that the government invented the Melton plan to persecute the opposition.

[Ortega] Well, they have to say that, just as they have been denying that there is a war going on in Nicaragua. They have been denying the deaths that occur in Nicaragua. According to them, there are no deaths. They do not mention the [words indistinct]. Just today there was an ambush that left six [words indistinct] wounded, including girls aged 6, 7, 12, and 15. There were also deaths, all involving civilians.

[Reporter] Where was the ambush?

[Ortega] The ambush occurred in the north, in the area of Matagalpa [words indistinct].

[Reporter] Today the U.S. Government announced that it might take other measures in addition to the expulsions.

[Ortega] Well, it has been waging a war on us all these years. It [words indistinct], and it could invade us. It could launch an air attack. It could do many things. One can expect the worst from the United States. It has already been doing these things. We would not be surprised in any way if it tries to carry out an escalation of attacks, just as its aggression against Nicaragua has escalated. Therefore, (?this is not) an unforeseen obstacle to Nicaragua's defense of its sovereignty, independence, and security.

Tunnerman Comments on Expulsion Order

PA1307132188 Managua Radio Sandino in Spanish 1211 GMT 13 Jul 88

[Interview with Carlos Tunnerman, Nicaraguan ambassador to the United States, by unidentified reporter on 12 July; place not given—recorded]

[Text] [Tunnerman] I wish to inform the Nicaraguan people that one of the most honorable things that will be written in my biography is that the Reagan administration expelled—or tried to expel—me from the United States. This only means that I abided by the laws. The U.S. Administration is known for its disregard of international law. Anyone would

consider this expulsion an honor. Being declared persona non grata by this administration is quite an honor. Principles are another matter, however.

If we are speaking of the White House, fine; the Vienna Convention allows the Reagan administration to take reprisals. This is merely a reprisal. We expelled the U.S. ambassador from Nicaragua because he was violating the Vienna Convention. The seven U.S. Embassy officials were also violating the Vienna Convention. They were meddling in Nicaragua's domestic affairs. Article 41 of the Vienna Convention states that no diplomat may interfere in the domestic and political affairs of another country. In my case, however, and that of the other comrades who today were honored with a State Department note advising them that they had been expelled, I must say that we have always respected the Vienna Convention. No one can accuse us of violating the Vienna Convention. We respect international laws. Nicaragua has always respected the principles of international law. For this reason, whenever we are attacked, we go before the International Court of Justice in The Hague and lodge a complaint.

[Reporter] Dr Tunnerman, we feel the fact that Nicaragua has always respected international law is what has given the U.S. Administration problems. The U.S. Government has not been able to win a single legal battle against us. This evening President Ortega said that Nicaragua may have to call a meeting of the OAS Permanent Council. What can Nicaragua do at the OAS?

[Tunnerman] According to the OAS Charter, every country has the right to appoint its own representatives. The OAS headquarters are located in Washington, but this does not give the U.S. Government the right to force a country to withdraw its ambassador to the OAS. Each country is free to choose who will represent it at the OAS. Nicaragua's right is at stake today. Tomorrow, the right of any other country may be at stake. Therefore, this is a principle that Latin America and the Caribbean must defend. Either each country has the right to appoint its own delegates to the OAS, or the United States has the right to decide whether those ambassadors may remain here or not.

The Reagan administration's mistake has been to overlook the fact that I am also the Nicaraguan ambassador to the OAS. To try and expel me from the United States while I am ambassador to the OAS is a mistake. A principle is at stake here: the principle of the OAS' autonomy and the right of each country to appoint its own delegate. This affects not only Nicaragua but all the OAS member states. By defending this principle, Nicaragua is also defending all OAS members.

[Reporter] Dr Tunnerman, does the OAS Charter establish that the U.S. Government has the right to veto an appointment?

[Tunnerman] No. The U.S. Administration is abusing its right by trying to veto another country's decision. On the contrary, the OAS is based on the principle of legal equality of all states. Not even the UN has this principle of legal equality. The UN has its Security Council, whose member states have the right to a veto. But this is not the case at the OAS. At the OAS each state has a vote. This principle of legal equality is a great principle and a great achievement of international law. This principle must be defended at all costs. Nicaragua is defending inter-American law; it took 100 years of experience to draft this law. The OAS will soon celebrate its 100th anniversary, not as an organization, but as an inter-American effort to seek, through dialogue and negotiation, a solution to problems among countries.

[Reporter] Dr Tunnerman, how do the other OAS member states feel about this U.S. violation of international law?

[Tunnerman] I have approached the OAS legal office. They have advised me that an agreement was signed by the OAS and the U.S. Government in March 1975. That agreement states that the U.S. Government must grant diplomatic immunity to those delegates freely appointed by the countries represented at the OAS; the U.S. Government must grant diplomatic immunity to the permanent delegates, alternate members, and members of the delegations. This agreement is still valid. It is a guideline for relations between the United States, as host country, and the OAS. Based on this agreement, and even though I am being declared persona non grata by the White House, the U.S. Government must respect my appointment as ambassador to the OAS and grant me diplomatic immunity.

[Reporter] Is President Reagan's 72-hour deadline legal?

[Tunnerman] This is a battle we will begin to wage tomorrow.

[Reporter] The fact that there is no longer a U.S. ambassador in Nicaragua and a Nicaraguan ambassador in Washington could be seen as a break in relations. What could cause an actual break in diplomatic relations between the United States and Nicaragua?

[Tunnerman] The United States has said that for the time being, it is not going to break relations. I think that deep down the U.S. Government is not really interested in breaking diplomatic relations with Nicaragua. It feels that having diplomatic representatives in Nicaragua is necessary; you can just imagine what for. Today President Reagan said he will not break diplomatic relations with Nicaragua, but he did say that it could be the next step. I do not think the U.S. Government is considering this step. I think it is just trying to minimize the importance of the Nicaraguan Embassy in Washington by removing the ambassador and seven important officials.

I wish to add that the seven embassy officials who were given 72 hours to leave the country are officials who have done a great job here in the United States. They have worked hard and played a very important role. They deserve

the Nicaraguan people's recognition. Today the Reagan administration chose to honor them with this expulsion. This U.S. Administration will never be able to say that it has respected international law; quite the contrary, it has openly violated international law.

Obando on Media Closures, Expulsions, Fighting

PA1307225688 Managua Radio Corporacion in Spanish 0400 GMT 13 Jul 88

[Excerpts] The National Reconciliation Commission [CRN] did not meet due to a lack of a quorum; however, the critical situation the country is experiencing was reviewed. Cardinal Miguel Obando y Bravo and opposition leader Mauricio Diaz referred to, among other things, the closure of LA PRENSA and Radio Catolica, as well as to the arrest of political leaders at the demonstrations in Nandaime.

Cardinal Obando y Bravo asked the government to reconsider the closure of certain media, specifically LA PRENSA and Radio Catolica. Obando y Bravo stressed that the truth cannot be half told, since it would not be the real truth. He added that the Esquipulas II and Sapoa agreements have become mere pieces of paper, since neither side has respected them. Here is Cardinal Miguel Obando Y Bravo's statement following his meeting with members of the CRN:

[Begin recording] [Obando y Bravo] We agreed that in view of the current very heated situation, it would be wise to exchange views on the problem, but not as members of the CRN. We talked about the need to review the government's decision to close LA PRENSA and Radio Catolica, as well as the arrest of political leaders in relation to the Nandaime incidents.

The minister [not further identified] said that the government has been flexible, but that it will not be flexible with those who violate the laws. He added that political parties, Radio Catolica, LA PRENSA, and COSEP [Higher Council of Private Enterprise] followed a plan prepared by the U.S. Embassy and that the government would not permit this.

At the meeting, we also discussed the need for the government to be more flexible in working for reconciliation, since the government should show its goodwill [words indistinct] should work for what is good for the Nicaraguan people. [passage omitted]

[Reporter] What are the chances for national reconciliation in the future in view of the current situation?

[Obando y Bravo] I believe the CRN will continue working, but there are some difficulties. I believe that if all the pressure valves are closed, there will be no way to release tension. Such a situation is dangerous. [passage omitted] I believe the CRN should have the means to report what is being discussed. I believe the CRN should have the means to report everything, not half-truths, which are worse than lies. It should be able to keep the people informed. Right now, the church's radio station is closed, and LA PRENSA is also closed. I believe the decision to close them should be reconsidered since without these media only half-truths will be reported, the CRN's work will not be known, and this will affect its image. [passage omitted]

[Reporter] Cardinal, what do you think of the expulsion of the U.S. ambassador?

[Obando y Bravo] That is a measure governments sometimes take. I read in the press yesterday that a government official said that the U.S. Government could take the measures it deemed appropriate and that the United States probably would take harsh measures. From what I have heard, economic measures would affect us the most, and the Nicaraguan people will suffer the consequences.

[Reporter] According to reports, the Reagan administration has also expelled Ambassador Tunnerman from Washington. Do you think this will affect the reconciliation process promoted by the commission you head?

[Obando y Bravo] I did not know about Ambassador Tunnerman's expulsion, but it was expected. As the saying goes, for every action there is a reaction.

[Reporter] Is this reaction [words indistinct]?

[Obando y Bravo] No. As I said, we will suffer the consequences. At this time, economic measures could affect us the most. I hope there will be no more bloodshed. [passage omitted]

[Reporter] It appears there have been more deaths in the mountains, particularly after the 9 June talks failed, and that the joint agreement to end offensive operations no longer exists, although each side has individually promised to respect it. In your opinion, what is the status of the cease-fire agreement?

[Obando y Bravo] My opinion is not what counts. What matters is what was discussed during the meeting at the Camino Real. The government unilaterally extended the cease-fire for 1 more month. The Resistance said that it would only respond if attacked. I do not know at this time who is attacking and who is being attacked. Regrettably, the killing continues. As I said, I believe that the Esquipulas II and the Sapoa agreements, as well as the document signed by the presidents in Costa Rica on 16 January, are becoming mere pieces of paper. This is worrisome. As a Nicaraguan, I am saddened by bloodshed on both sides. We are all Nicaraguans, and we are all brothers in Christ. We are all children of God. [end recording]

U.S. Envoys' Expulsion 'Should Surprise No One'

PA1307141088 Managua BARRICADA in Spanish 12 Jul 88 pp 1, 5

[Editorial: "A Mandate by Consensus"]

[Text] The revolutionary government's firm, calm, and well-considered decision to declare persona non grata U.S. Ambassador Richard Melton and seven of his diplomats, who were openly meddling in Nicaragua's internal affairs under Melton's direction, should surprise no one, especially those whose unlawful actions caused them to be expelled from our country.

This legitimate action to reassert our independence and national sovereignty is the response given by Sandino's people to the intolerable meddling by the Yankee ambassador in matters that exclusively concern Nicaraguans. In addition, the response reflects the nation's consensus and the aspirations of our homeland's fighters, workers, and peasants, who support this revolutionary plan, as well as those of Nicaraguans of diverse political leanings who are joined by the common banner of patriotism, self-determination, and the defense of constitutional order.

Ambassador Melton and his staff are guilty of violating the basic principles of the Vienna Convention, signed by all nations, which provides that diplomatic immunity accords privileges to strengthen ties among governments but categorically bans interference in other nations' internal affairs and security.

What is even more serious, as a representative of a criminal state convicted by the International Court of Justice for attacking Nicaragua, Mr Melton became an active agent, coordinator, and promoter of his government's plans to overthrow Nicaragua's constitutional government.

In a scenario of multifaceted aggression that combines economic aggression, diplomatic blackmail, terrorist attacks by mercenary forces against defenseless civilians, and inciting the unarmed contras to commit violence, Melton and his staff did not hesitate to depict themselves as "leaders" of the sold-out opposition.

The events of the last few weeks—first in Esteli, where Melton himself encouraged the COSEP [Higher Council of Private Enterprise] to overthrow the government, and later in Nandaime, where Melton's agents took an active part in a violent provocation against the authorities—are irrefutable evidence of their conspiratorial activity.

No nation that regards itself as independent and sovereign would have ignored such meddlesome actions against its national security. The expulsion of the U.S. ambassador is an act of legitimate defense in view of the seriousness of such events.

Nicaragua is not breaking relations with the United States. On the contrary, it is demanding that such relations be maintained in accordance with the basic rules of mutual respect and nonintervention. These principles are incompatible with Mr Melton's behavior.

This conscious and resolute step in defense of our national sovereignty demands an equally strong stand from all our country's groups so we can withstand the onslaught of armed intervention and plans for domestic destabilization. The government and the people have the right to defend themselves and to unhesitatingly enforce our country's laws in view of the challenge posed by extremist groups that have openly supported the counterrevolutionary plans. The people must actively assume the defense of their gains, our national independence, democracy, and the country's constitutional order.

This is our homeland's mandate.

LA PRENSA Says Closure 'Barbaric Decision'

PA1307164888 Managua Radio Corporacion in Spanish 0400 GMT 13 Jul 88

[Text] LA PRENSA has rejected the government's accusations and has described the closure of that newspaper for 15 days as barbaric. The protest says the closure of two media sources violates agreements signed by the government.

LA PRENSA's Deputy Director Cristiana Chamorro commented on the 15-day suspension, which began today. She read the following communique during a news conference:

[Begin Chamorro recording] Exercising freedom of the press is incompatible with totalitarian and antidemocratic regimes. This political axiom has become evident once more with the barbaric decision to close LA PRENSA again for 15 days, which was announced yesterday by the Media Directorate.

Showing its inability to honor its commitment to begin a democratic process in Nicaragua, President Ortega's government has decided to silence the Nicaraguan people [words indistinct]. [end recording]

The communique also referred to LA PRENSA's editorial on the Nandaime incidents, which was the reason for the closure. Ms Chamorro continued reading the communique, which was made public today at noon:

[Begin Chamorro recording] In yesterday's editorial, LA PRENSA rightfully expressed its opinion, which is the same as the one we express at the beginning of this communique. We believe that a totalitarian and antidemocratic government, where the ruling party and the police act together, does not permit the necessary impartiality and [words indistinct] to handle situations in which the people not only express their demands for political freedom, but also protest the hunger and misery resulting from a mistaken government policy.

The temporary closure of LA PRENSA and the indefinite suspension of Radio Catolica flagrantly violate the agreements signed by the Sandinist government in Esquipulas, San Jose, and Sapoa. Those steps eliminate all chances of implementing Costa Rican President Oscar Arias' peace plan in this country.

By taking those steps, President Ortega has confirmed his government's determination to deny at all costs (?support) for the civilian struggle and to always keep the door open for war.

LA PRENSA reappeared on 1 October believing that the Sandinist government was willing to replace the armed struggle with a civilian struggle. Since then we have (?encouraged) the civilian opposition and the Nicaraguan people to fight for their political rights and [words indistinct]. The Nicaraguan people are our best witnesses. From the 1st day we favored a negotiated solution, dialogue, and [words indistinct] solution to all the Nicaraguan problems. We greatly contributed to the signing of the Sapoa agreements, encouraged a climate favorable to the reconciliation of the parties involved in the armed conflict, and tried to be objective in a polarized society.

We inform all governments and peoples of this new arbitrary step against us, which is also another violation of the Nicaraguan people's rights set forth in the Sandinist Constitution. This step also greatly harms LA PRENSA employees [words indistinct].

We also inform the Nicaraguan people that LA PRENSA will exercise its rights against this [words indistinct] decision, because we [words indistinct] our rights and the Nicaraguan people's right to be informed.

We would also like to clearly state the [words indistinct] consequences of this unjust step, which will seriously affect the nation's normal life. We received a message from Violeta Chamorro this morning in which she joined LA PRENSA's protest. [end recording]

After reading the communique, Cristina Chamorro—who is LA PRENSA's acting director while Violeta Chamorro is out of the country—answered questions from journalists. Asked what LA PRENSA's editorial line will be once the 15-day suspension is over, she replied:

[Begin Chamorro recording] We will continue reporting the truth, as we have always done. We will continue encouraging the opposition and the Nicaraguan people to continue the civilian struggle [words indistinct]. [end recording]

Nandaime Events Result of 'Political Revenge'

PA1307155888 Managua Radio Corporacion in Spanish 0400 GMT 13 Jul 88

[Station editorial]

[Excerpts] Last Sunday's incidents in Nandaime and Esteli are very regrettable. It is incomprehensible that authorized demonstrations are degenerating into vendettas. We use the word vendettas because those incidents are the result of political revenge and of a desire to eliminate all vestiges of pluralism and to impose a single ideology.

A strong and systematic campaign by the official media last week made us foresee the results, but we never thought blood would again flow for no reason in our cities.

What is most tragic is that the protagonists on both sides supposedly have the same rights and duties. This is not so, however, because what some have in excess is being denied to others.

Before the gathering in Nandaime, where the people protested lack of freedom and demanded respect for their right to a decent life, a young man boasted that on this occasion not 1 but 10 houses would be burned and that they would prevent the bourgeoisie from taking to the streets. This young man repeated this boast for several days. [passage omitted]

Meanwhile, in Esteli hotheads of the already infamous mobs made an appearance at the inauguration of the Conservative Party headquarters. They threw rocks, broke roof tiles and car windows, and threatened the lives of peaceful citizens, whose crime is wanting to live as people and not to be reduced to robots.

We can be sure of only one thing: Sandinism has not and is not even remotely thinking about renouncing its plans. Peace is still but a dream. It is not worth signing any document dealing with reconciliation, amnesty, peace, liberty, and democracy, because the government would never comply with it. [passage omitted]

CDN Leaders Sentenced for Nandaime Disturbances

PA1407030888 Panama City ACAN in Spanish 0127 GMT 14 Jul 88

[Excerpt] Managua, 13 Jul (ACAN-EFE)—Today the Nicaraguan Government sentenced four leaders of the opposition Nicaraguan Democratic Coordinating Board (CDN) to 6 months in jail for "inciting" the disturbances in Nandaime on Sunday.

Today Duilio Baltodano, vice president of the opposition CDN, confirmed to ACAN-EFE the sentence issued against the political leaders by a court in Masaya, 35 km southwest of Managua.

Those convicted are: Carlos Huembes, president of the CDN; Agustin Jarquin, secretary of the Social Christian Party; Miriam Arguello, leader of the Nicaraguan Conservative Party; and Alberto Carvallo, a CDN member and Radio Catolica's lawyer.

Baltodano said that he will appeal the court's decision tomorrow. The opposition leader said that more than 50 people, including several political leaders, were arrested in Nandaime, in southwestern Nicaragua, during violent clashes with riot police. [passage omitted]

CDN Secretary General Guevara Mena Arrested

PA1407054988 Managua Radio Corporacion in Spanish 0400 GMT 14 Jul 88

[Text] This morning Roger Guevara Mena, secretary general of the Nicaraguan Democratic Coordinating Board [CDN], was arrested when he presented himself in Palo Alto to comply with a police citation. Guevara Mena was transferred to Granada, where the Interior Ministry's Region 4 headquarters is located. He will probably be charged with involvement in the events in Nandaime on Sunday.

Government Expropriates San Antonio Sugar Mill

PA1407021288 Managua Radio Sandino in Spanish 1930 GMT 13 JUl 88

[Resolution No 57 issued by Jaime Wheelock Roman, agricultural development and agrarian reform minister, in Managua on 13 July]

[Text] Jaime Wheelock Roman, agricultural development and agrarian reform minister, based on powers bestowed upon him by Law No 4 of the Nicaraguan Presidency, issued on 10 January 1986 and published in LA GACETA, the official newspaper, No 8 on 13 January 1986, states:

1. The San Antonio sugar mill has historically been the main sugar production center. Despite state support, since the triumph of the revolution it has experienced a general process of declining production and deterioration of its facilities.

2. Our Constitution, as the fundamental law of the Republic, establishes that the state has the responsibility of guaranteeing the supply of basic consumption products to the population. The drop in the sugar production index of the San Antonio Sugar Mill affects the consumption of one of the most essential products for the daily diet of Nicaraguans.

3. The cultivation of sugarcane and the processing of its by-products is one of the main sources for obtaining foreign exchange and achieving the country's economic development, which is being seriously affected by the drop in production of the San Antonio Sugar Mill.

4. Declining production and the deterioration of the facilities affect the living conditions of the mill's workers.

5. The revolutionary state has the obligation of safeguarding the national interests, the well-being of the population, and the economic development of the country. Property is subordinate to the nation's higher interests and fulfills a social function.

Therefore, it is resolved:

1. For the good of the public and in the social interest, to declare expropriated the property known as the San Antonio Sugar Mill, ISA, and all the assets linked to it owned by the Nicaragua Sugar Estates Ltd., a company registered in the book of companies under No 5,788, volume 162, page 194, of Book 2, Mercantile Registry of Managua Department, and the following subsidiary companies: Refineria Nicaraguense de Azucar S.A., registered under No 2,176, volume 83, page 280, Book 2; Nicaragua Cocotera S.A., registered under No 742, volume 24, page 200, Book 2; Nicaragua Comercial S.A., registered under No 741, volume 24, page 184, Book 2; Compania Azucarera and Cafetalera El Polvon, registry No 190-639-9,500—all of these [companies] are registered in the book of companies in the Mercantile Registry of Managua Department.

2. The property known as the San Antonio Sugar Mill includes, among others, the following properties, which are included among the assets of the aforementioned companies: No 19,235, volume 309, page 43, 1st entry; No 28,772, volume 473, page 52, 1st entry; No 720, volume 46, page 238 and 286, 2nd entry; No 20,554, pages 243, 246, etc., etc., registered in the Property and Land Registry of Chinandega Department; No 1,926, entry 12; No 1,417, entry 14; No 1,586, entry 4, registered in the Property and Land Registry of Leon Department.

3. Included in this expropriation are other properties owned by the aforementioned companies and other subsidiary companies of the Nicaragua Sugar Estates Ltd., which were not mentioned here and the function of which is the production, harvest, and industrialization of sugarcane or its by-products.

4. Everything is done in accordance with Articles 9, 10 and 5 [as heard] of the agrarian reform law in effect [words indistinct].

Issued in the city of Managua at 1200 on 13 July 1988.

[Signed] Jaime Wheelock Roman, Agricultural Development and Agrarian Reform Minister

Defense Ministry on Contra, EPS Actions

PA1307230388 Managua BARRICADA in Spanish 13 Jul 88 p 2

["Bulletin" issued by the Public and Foreign Relations Directorate of the Defense Ministry in Managua on 12 July]

[Text] I. Combative actions carried out in response to counterrevolutionary attacks on our troops:

1. On 9 July, a group of mercenaries attacked our troops on Las Torres Hill, southeast of Nueva Guinea, autonomous south Atlantic region. Four mercenaries were injured in the attack.

2. On 11 July, our troops were attacked at Cerro Grande, northeast of San Sebastian de Yali, Jinotega Department. Eight counterrevolutionaries were killed in the attack.

3. On 11 July, a group of counterrevolutionaries attacked our troops at Los Cedros Mountain, northwest of Abisinia, Jinotega Department. Five mercenaries were killed, and we confiscated two AK rifles, one field communications radio, and two backpacks.

II. Terrorist actions against the civilian population and economic targets carried out by the mercenary forces loyal to former Somozist Colonel Enrique Bermudez:

1. On 8 July, a group of mercenaries kidnapped civilian Arturo Sanchez at La Tigra Intendancy, northwest of La Batea, Chontales Department.

2. On 9 July, a group of mercenaries kidnapped five civilians at EL Ocotillo, northwest of San Sebastian de Yali, Jinotega Department.

The names of the abducted people are: Juan Gonzalez Jiron, 15; Ines Garcia Jiron, 16; Mario Melgara, 15; Daniel Obregon, 21; and Juan Antonio Irias Melgara, 15.

3. On 11 July, a group of counterrevolutionaries kidnapped a female peasant at Agua Amarilla, southeast of Wiwili, Jinotega Department.

Issued in Managua on 12 July 1988.

Public and Foreign Relations Directorate of the Nicaraguan Defense Ministry

Panama

Ritter on M-19 Talks, Bucaram Asylum Request

PA1407022988 Panama City Circuito RPC Television in Spanish 2300 GMT 13 Jul 88

[Interview with Foreign Minister Jorge Eduardo Ritter by unidentified reporter; date and place not given—recorded]

[Excerpts] [Ritter] The freeing of Alvaro Gomez Hurtado is something that will be strictly negotiated between Colombian political forces, without the participation of the Panamanian Government. Panama has gladly offered its territory, its peaceful surroundings, and its climate to carry out direct negotiations between Colombian political parties and the M-19 guerrillas, but the Panamanian Government is not going to take part directly in these negotiations.

[Reporter] Some Ecuadoran senators claim that the political asylum granted to [former Ecuadoran presidential candidate] Abdala Bucaram is illegal.

[Ritter] Panama has not granted Bucaram political asylum. This morning I read the international cables that criticize the Panamanian Government for an action it has not yet taken. Perhaps this action has not been taken because it involves a very lengthy process. It is true that Bucaram asked the president for political asylum. This requires a very lengthy procedure and ultimately a political decision on whether or not to grant asylum. Panama has not granted political asylum to Bucaram; therefore, I fail to understand why some groups in Ecuador have rushed to criticize something that has not yet happened.

[Reporter] Is his extradition imminent?

[Ritter] I do not believe we can talk about extradition at this time because, first of all, there is no extradition treaty with Ecuador, and second, Ecuador has not requested extradition. However, I believe the basic thing here is to clearly state that Panama has not granted the asylum request made to the president. Extradition would depend, anyway, on a treaty with Ecuador, but there is no such treaty with Ecuador. [passage omitted]

[Reporter] What is Panama's position with regard to Central American peace groups?

[Ritter] Panama still plays an active role in Contadora. The last meeting took place in Mexico. Of course, we are concerned with developments all over Central America. Everyday there are new events. The last one was the expulsion of the U.S. ambassador [to Nicaragua, Richard Melton], followed immediately by the U.S. Government's expulsion of the Nicaraguan ambassador [Carlos Tunnermann]. We are waiting to see how this may affect the peace process in Central America.

U.S. 'Aggressions' Reported to UN Council

PA1407050488 Panama City Televisora Nacional in Spanish 2300 GMt 13 Jul 88

[Text] Panama has reported at the UN Economic and Social Council [ECOSOC] in Geneva that 12 years before returning the canal to Panama, the United States has subjected the Panamanian Government and people to the strongest attacks and political aggressions recorded in the country's history.

Marcos Villarreal, Panama's permanent representative at the ECOSOC in Geneva, Switzerland, informed the plenum at an ordinary session that during the second half of 1987, a series of plots and schemes were carried out with the U.S. Administration's open participation, resulting in the infliction of economic losses on Panama estimated in 1987 at $161 million and this year at $1.497 billion.

Opposition Leaders on Political Differences

PA1307230088 Panama City Telemetro Television in Spanish 2300 GMT 12 Jul 88

[Text] The opposition is breaking up, Dr Carlos Ivan Zuniga pointed out. The PAPO [People's Action Party] leader added that it is regrettable that the Christian Democratic Party [PDC] is participating in the Legislative Assembly's analysis of Electoral Code reforms. The

politician stressed that the opposition should reject the 1989 presidential elections, because there are no guarantees to ensure honest elections in Panama:

[Zuniga] "There is no democratic government here, and a democratic government is what the people want. Since there is no democratic government in Panama, that government provides no guarantee for honest elections. I do not think anyone should get involved with anything that even smells of the elections."

Zuniga added that he is concerned with the PDC's decision to attend the special Legislative Assembly's sessions beginning on 18 July to analyze the Electoral Code:

[Zuniga] "There evidently is a lack of agreement within the parties that used to form part of the ADO [Democratic Opposition Alliance]. I think the Authentic Panamenist Party [PPA] and the Authentic Liberal Party have a lot of political know-how because they are long-standing, majority parties. The PPA is acting in a responsible manner and, undoubtedly, that is the correct line to follow.

[Reporter] "What does this mean? Is the opposition breaking up?

[Zuniga] "I believe the Panamanian political opposition started to break up the moment a document was signed saying that [Eric Arturo] Delvalle's cause was legitimate. This was the beginning of a rift. Why? Because we have not sought what we might call a common ground uniting us all; that is, the common denominator, which should be the struggle for a democratic system.

"While some want to maintain the status quo—which is antidemocratic—there is also a lack of unity with regard to basic goals. When the legislators go to the Assembly to discuss the electoral reforms, they will realize that they are being crushed by a steamroller. Then they will realize how useless it is to say that they are going to discuss a draft Electoral Code."

Meanwhile, [PDC leader] Ricardo Arias Calderon emphasized that the PDC will attend the special Legislative Assembly sessions to analyze the Electoral Code, not to justify the elections, but to challenge them:

[Arias Calderon] "We have discussed this topic quite frankly, and we agree that many times friends going in the same direction and heading toward the same place choose different routes. However, that does not affect their friendship; nor does it break up the unity of their goals."

Molirena Leader on Elections, Opposition Unity

PA1407060288 Panama City Telemetro Television in Spanish 2300 GMT 13 Jul 88

[Text] Molirena [Nationalist Liberal Republican Movement] will attend the special sessions of the Legislative Assembly, during which the amendments to the Electoral Code will be discussed. Molirena leader Alfredo Ramirez said that his party will play an aggressive role at the Assembly.

[Begin recording] [Ramirez] We cannot miss the opportunity the legislative forum provides to bring out all irregularities. Our legislators will have instructions to permanently and effectively expose the violations of human and constitutional rights in Panama and to make it quite clear that under the present circumstances, and unless profound changes are made in the structure of the Panamanian state, it is impossible to talk about fair and honest elections in 1989.

[Reporter] Other opposition sectors have pointed out that any participation by the opposition in the discussions of the Electoral Code would be an indirect endorsement of the 1989 elections and that there is dissension within the opposition.

[Ramirez] Political strategies may not always be identical at any given moment. I do not think there is dissension within the opposition. Neither do we feel that the mere act of attending the special sessions is an endorsement of the electoral process. We want to make it quite clear that our attendance at the special sessions—with an aggressive attitude—does not mean Molirena will participate in the 1989 elections, unless the necessary guarantees are given to make the elections really free and just. [end recording]

Argentina

Falklands Trials To Focus on Armed Forces Role

PY1307161388 Buenos Aires BUENOS AIRES HERALD in English 12 Jul 88 p 9

[By "DP"]

[Text] The state prosecutor handling the case against the Malvinas military leaders has said that he expects the trial to open a national debate on the role of the Armed Forces.

"Defining that role is not a military decision," prosecutor Luis Moreno Ocampo told the HERALD. "The military has to be told what its task is, and then the task can be carried out."

Some 130 witnesses, most of them military officers, will be called to testify in the Malvinas trial in which military leaders will be charged with "professional negligence," he added.

The prosecution would need about a month to state its case before the federal appeals court, he said, and final verdicts by the federal appeals court could be ready by late September. The public and oral trial is to start on July 26.

Moreno Ocampo said he would seek stiffer sentences than those a military court slapped on former President Leopoldo Galtieri (12 years), Admiral Jorge Anaya (14 years) and Brigadier Basilio Lami Dozo (eight years) in May 1986.

He will also seek prison sentences for General Mario Menendez, Brigadier Omar Parada and Vice Admiral Jose Lombardo, three officers acquitted by the military court.

The prosecution will argue that although these military leaders planned the occupation of the islands, they did not plan for the British reaction, which was to attack, and therefore are guilty of "professional negligence," Moreno Ocampo said.

Moreno Ocampo defended the legal reform which allowed a military case like the Malvinas to reach a civlian court. In the United States, he said by way of example, the last legal recourse open to officers is a military tribunal made up of civilian judges.

The trial would also offer Argentina the chance "to recover its history," Moreno Ocampo said. "A war that was lost, and which at the time we were told we were winning, will be incorporated into our history.... It's a chance to revise what happened."

Justicialist Candidate Menem Comments on Issues

Party Politics, U.S. Ties

PY1307203188 Buenos Aires Domestic Service in Spanish 1600 GMT 13 Jul 88

[Text] Justicialist presidential candidate Carlos Menem will meet with CGT [General Confederation of Workers] Executive Board members at the office of 900 Maipu Street, in the Federal Capital at 1700 today, CGT forces have reported. Before the meeting, the CGT leaders will meet at the office at 802 Azopardo Street to analyze the agenda of the meeting with Menem.

Menem said today that Antonio Caffiero, who lost last Saturday's primaries, is the Justicialist Party president, adding that there is no reason to remove him, although, he said, the matter will be analyzed.

Asked whether the Christian Democratic Party and the Integration and Development Movement were contacted in connection with the creation of alliances, Menem replied that there was contact with the latter, but not with the former.

Menem, who denied that he is about to travel to Rome and to the United States, stressed that if he is elected president he will promote relations with the United States. He said, however, that to maintain good relations will not mean to subjugate Argentine interests. I have made it very clear, he went on, that there are no more ideological frontiers, and that whatever is good for Argentine interests will be done, be it with the United States, the Middle East, or the USSR.

Iranian Aircraft Downing

PY0407223288 Buenos Aires DYN in Spanish 2100 GMT 4 Jul 88

[Text] Buenos Aires, 4 Jul (DYN)—Justicialist Party presidential hopeful Carlos Menem today repudiated the "U.S. Armed Forces unspeakable attack" against an Iranian civil aircraft and said that the U.S. military "is a constant factor of disturbance to world peace."

In a communique released here by his press secretariat, headed by Hugo Heguy, Menem said that "in his name and that of the movement he leads, he strenuously repudiates the murder of many children and defenseless passengers aboard the Iranian commercial aircraft downed in the Persian Gulf during an unspeakable attack by the U.S. Armed Forces."

Menem added that the U.S. Armed Forces "have become a factor of constant disturbance to world peace with their repeated violations of the basic principles of international law."

The Justicialist presidential hopeful ends his message by "expressing his solidarity with the people and the victims of the tragedy."

Final Results of Justicialist Elections

PY1307192488 Buenos Aires Domestic Service in Spanish 1600 GMT 13 Jul 88

[Text] The final results of the Justicialist Party elections have been released. La Rioja Governor Carlos Menem received the support of 53.55 percent of voters. Menem won in 18 of the 24 electoral districts, which include 22 provinces, 1 national territory, and the federal capital.

The Menem-Duhalde ticket beat the Caffiero-De la Sota ticket by 125,094 votes, in the first internal elections in the 42-year life of the Peronist Party.

Alfonsin Receives Cape Verde Foreign Minister

PY1307033988 Buenos Aires Domestic Service in Spanish 0200 GMT 13 Jul 88

[Text] At 1000 this morning President Raul Alfonsin received Cape Verde Foreign Minister Silvino Manuel da Luz. Da Luz was accompanied by Foreign Minister Dante Caputo; Mario Concuera Ibanez, Argentine ambassador to Senegal and Cape Verde; and Jose Ledesma, the Foreign Ministry's Sub-Saharan area deputy director.

Yesterday Da Luz met with Caputo to analyze bilateral relations between the two countries. The Cape Verde foreign minister arrived in Argentina at noon yesterday for a 3-day visit to the country. After this, he will depart for Rio de Janeiro.

Police Break Cocaine Trafficking Ring

PY1307203888 Buenos Aires Domestic Service in Spanish 1600 GMT 13 Jul 88

[Excerpt] The federal police continued their successful drug operation; in the past few hours they busted a drug trafficking ring. Although the investigations are continuing, we can report that several people have been arrested, some of them Colombians who may be linked to the powerful so-called Medellin Cartel. Police have seized 556 kg of cocaine to date. Everything seems to indicate that the drugs were to be sent to Europe or the United States through an as yet unspecified method. It is not known whether any of the drugs were to be sold in Argentina. [passage omitted]

Bolivia

Government Unable To Pay Principal of Debt

PY1307143688 Madrid EFE in Spanish 0302 GMT 13 Jul 88

[Text] La Paz, 12 Jul (EFE)—Today Bolivian Planning Minister Gonzalo Sanchez reported that Bolivia is unable to pay the principal of its bilateral debt, which amounts to $2.26 billion.

Sanchez stated that, at a meeting to be held between an official Bolivian delegation and creditor banks of the "Paris Club" in September 1988, Bolivia will report that it is unable to pay the debts contracted with official governments and banks of friendly countries.

The planning minister added that softer conditions are necesary if the debt is to be paid. The debt represents a little less than 50 percent of the overall Bolivian public debt, which stands at $5.848 billion, according to the latest figures.

Sanchez said that the payment of that debt would provoke a serious trade imbalance because Bolivia is facing serious difficulties in paying the principal and interest of its debts.

Sanchez said that there are three possible negotiating options with the "Paris Club," and that the third option provides for the payment of the debt over 10 years at only one third of commercial interest rates. He added that the forgiving of this interest by the creditors would be most beneficial for Bolivia.

The meeting in Paris was to have been held by the end of this month, but it will now be held in September. At the meeting the Bolivian delegation will propose to its 25 creditors the postponement of the respective payments, the minister said.

Brazil

Sarney Announces New Oil Finding in Parana

PY1407000288 Brasilia Domestic Service in Portuguese 2200 GMT 13 Jul 88

[Text] Today President Sarney announced that Petrobras has found new oil off the coast of Parana State:

[Begin Sarney recording] We have good news for Brazilian oil production. Yesterday Petrobras finished tests on the Parana basin. This basin was discovered a short time ago; it is a new basin. Today we have the result of the tests.

Initial production reached 3,800 barrels a day, but the well has a commercial potential of 10,000 barrels a day. The well is located 170 km off the coast, where the water is 130 meters deep. The oil comes from a sedimentary layer of nearly 40 km and produces 290,000 cubic meters of gas.

The excellent oil quality adds to the latest oil finds in (Portuga), (Reconcas), and the Urucu basin. Commercial exploitation of this basin will begin soon. I will visit the area on 25 July. In addition to all this, we still have Marajho findings, which is a gigantic basin.

This was what I wanted to announce to the country. In a few years, Brazil will undoubtedly reverse its position from an oil-importing country to become what some people thought was impossible, because Brazil did not

have large reserves. We will become a great oil producer, able not only to supply all the country's needs, but also able to export oil. [end recording]

This is the announcement on the new discovery of oil deposits in the south of the country. This announcement was broadcast live from the Planalto Palace for the program "Voz do Brazil."

Chile

Government Forbids Entry of FRG Deputy

PY1307131888 Madrid EFE in Spanish 0330 GMT 13 Jul 88

[Text] Santiago, 12 Jul (EFE)—Today the Chilean military regime prevented FRG Deputy Gaby Gollbard, of the Green Party, from entering the country. Gollbard arrived in Santiago to participate in the "Chile Creates" international cultural festival.

This report was released by the organizers of the festival, which was dedicated yesterday with the participation of more than 200 intellectuals and artists from 27 countries.

This is the first time that a foreign guest invited to attend a cultural event has been prohibited entry to the country.

The organizers of "Chile Creates" have reported that the former deputy arrived on a regular flight from Madrid, and that she had to return to her country.

The activities of this international festival today focus on paying homage to Chilean poet Pablo Neruda, the Nobel Literature Prize winner.

On Wednesday, 13 July, "Chile Creates" will be focusing on movie and video activities, while on Thursday, it will be dedicated to popular songs. On Friday, 15 July, there will be several activities, and it will end on Saturday with folk music.

FPMR Blows Up Tower; Leaves Booby Trap

PY1307133588 Santiago Domestic Service in Spanish 1030 GMT 13 Jul 88

[Text] Manuel Rodriguez Patriotic Front [FPMR] terrorists have blown up a tower in Laguna Caren, in the metropolitan region, where they left a powerful booby trap containing 250 grams of amatol. The bomb, which was hidden behind an FPMR flag, was connected to a disguised cord that would have triggered the bomb if it had been picked up by unskilled people. The bomb is believed to have been planted at Endesa [National Electric Power, Inc.] tower No 426 last Monday, despite the fact that the tower collapsed Tuesday afternoon. A special Carabineros group deactivated the booby trap in 20 minutes and seized the material found in the area.

Attacks in Santiago, Valparaiso Reported

PY1307193588 Santiago Domestic Service in Spanish 1700 GMT 13 Jul 88

[Text] According to a Carabineros report, terrorist extremists have set fire to another bus in the San Joaquin neighborhood of southern Santiago. The bus, which belongs to the Matadero-Palma line, license plate No CF-4551, was parked at 454 (Euretaco) Street when it was attacked.

According to police sources, the fire caused considerable damage to the bus. The attack took place when the streets were deserted.

In other attacks, two electricity poles supporting transformers were also destroyed when two bombs exploded in Valparaiso. According to the police, this happened at 538 Tomas Ramos Street, where the terrorists planted the two bombs.

The front of a bus that belongs to the Verde Mar Company, in the fifth region, was also considerably damaged when one of the poles fell onto the vehicle.

Authorities Still Holding 130 11 July Rioters

PY1407032688 Santiago Radio Chilena Network in Spanish 2300 GMT 13 Jul 88

[Text] Eleven people arrested for violating the antiterrorist law during incidents on 11 July are still at the disposal of the military courts.

One hundred and nineteen other people, who were detained for violating the state security law, are still being held at various Carabineros units, where they will remain until 16 July.

The Interior Ministry can bring a case against some or all of the detainees before 16 July. If the ministry does not present a case by then, the detainees will be released.

Colombia

M-19 Leaders on Panama Meeting, Gomez' Release

PA1307150188 Panama City Domestic Service in Spanish 1205 GMT 13 Jul 88

[Interview with M-19 Commanders Rosenberg Pabon Pabon and Edgar Bustamante by unidentified reporters; date and place not given—recorded]

[Excerpts] [M-19 commander] It is public knowledge that our movement, the M-19, has been making proposals and presenting suggestions to the Colombian Government and people regarding this process of national understanding. In an attempt to establish the initial mechanisms for this understanding, we have sought the hospitality of the Panamanian people so the initial

meetings, which we hope will lead to that national understanding, can be held on Panamanian territory. This is, more or less, why we have come to Panama City.

[Reporter] We have learned that on Sunday and Monday morning you met with leaders of the Conservative and Liberal Parties, as well as with Pereira Bishop Msgr Dario Castrillon. Have you made any progress on an agreement for holding the summit you have proposed in Panama or Colombia?

[M-19 commander] We held a meeting that we termed one of reaffirmation of confidence between representatives of the Conservative Party and the M-19. A church representative was also present. [passage omitted]

[Reporter] [Words indistinct] yesterday said he was scheduled to meet with President Virgilio Barco and Government Minister Gaviria. Have you heard anything about the outcome of the meeting? Has the government agreed to participate in the meetings?

[M-19 commander] I have asked Senator Rodrigo Marin Bernal to speak to the government on our behalf. We called him at 2300 yesterday. He told us over the phone that the government minister had agreed to meet with us. We told them that if they wanted us to speed up the process of national dialogue and Alvaro Gomez' release, we could hold the preparatory meeting in Cauca. Last night, the government, in principle, agreed to meet with us. Today the government announced that they will not meet with us in Colombia, and we have therefore agreed to meet in Panama. This is further proof that the situation in Colombia is so difficult that the government cannot allow such a meeting to be held there. This is despite the fact that the meeting aims to establish the basis for a broader meeting that will hopefully lead to a stable, lasting peace. That is our objective.

[Reporter] What answer have you received from the government?

[M-19 commander] As we have already said, the government has emphatically rejected any possibility of holding this meeting—which would lay the foundation for national reconciliation—either in Colombia or anywhere else in the world. Through the media, we would like once again to call on the Colombian Government to put aside its negative attitude and to think about the country. If the government really feels that it is part of its people and cares for its people, it should come to Panama and participate in this meeting, which is very important for national reconciliation and for a new process of national salvation. Representatives of most of the country's sectors will meet on Thursday at the apostolic nuncio's office. It would be wrong for the Colombian Government, which says it represents Colombian society, not to attend an event of such importance. That is why we are using the media to tell the world that we are extending a personal invitation to President Barco to attend Thursday's meeting. We want to lay down our the weapons and end the war being waged by the Colombian people. We believe this first meeting, which we consider highly important for beginning this process, will provide the proper atmosphere to achieve this goal.

Other Colombian social and political groups also consider this meeting important. We have invited the Liberal Party, the Conservative Party, the Patriotic Union, the Communist Party, the Civic Movement Coordinating Board, the peasant organizations, the Indian organizations, and the Simon Bolivar National Coordinating Board—the organization that represents rebel forces throughout the country—to attend this meeting. We have also invited former Attorney General Carlos Jimenez Gomez, and Alfredo Vasquez Carrizosa, president of the Colombian Human Rights Commission.

[Reporter] In view of the Colombian Government's refusal to participate in the meeting, what will happen to Alvaro Gomez? Will he be released?

[M-19 commander] This proves to us that there is no government. We are beginning to doubt the existence of this government, which does not abide by the desires of the country's majority. Of course, the meeting aims, aside from establishing the initial mechanisms and procedures for finding the path to national understanding, to resolve the problem that will lead to the release of Dr Alvaro Gomez Hurtado. In this regard, the Conservative Party has understood that this is a very special moment in Colombia and that we must take advantage of this moment and begin a national dialogue. [passage omitted]

Samudio: No Dialogue While Killings Continue

PA1307212588 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 13 Jul 88

[Report by Alvaro Ayala on statement by Defense Minister General Rafael Samudio Molina in Medellin on 13 July]

[Text] Today the defense minister went to Medellin to view several facilities where military units will be stationed. General Rafael Samudio Molina said that as long as soldiers continue to be killed, there cannot be any dialogue. The Armed Forces believe that the right atmosphere for a dialogue with guerrilla groups does not exist. Defense Minister Gen Samudio Molina was referring specifically to the guerrilla ambush in Puerto Lopez, El Bagre, where 13 soldiers and two noncommissioned officers were killed.

[Begin Samudio recording] I do not believe the specific events we are mentioning today illustrate any willingness to hold a dialogue. The country cannot afford to make mistakes. It is possible to make a mistake once, but this cannot continue. There must be other ways to show a sincere intent. This is not constructive. The country is demanding peace and reconciliation for all Colombians. Young, innocent soldiers have been killed for the sake of their fellow countrymen. [end recording]

This morning the defense minister, the Army commander, and the police commander arrived in Medellin to sign documents to purchase some land in Puerto Berrio and Medellin where garrisons will be stationed.

Paraguay

JRF Condemns Political Leaders' Arrest

PY1307154888 Asuncion EL DIARIO in Spanish
13 Jul 88 p 10

[Text] In a communique released yesterday, the Revolutionary Febrerist Youth [JRF] denounced before the national and international public "the arbitrary detention" of JLRA [Authentic Radical Liberal Youth] President Ramon Ferreira and JLRA leader Waldino Montes de Oca, "who are being held incommunicado at the former Security Guard offices."

In the communique, the JRF leaders condemn the detention of Maria Irene Laino Guanes, who is "just an 8-year-old" girl. The communique notes that these events "once more prove the lack of basic guarantees in our country today."

In additon, the JRF holds the national authorities responsible "for the physical and psychological condition of the detainees," and demands their "immediate release."

Rally Seeks Release

PY1307162088 Asuncion HOY in Spanish
13 Jul 88 p 8

[Text] In a short rally yesterday, sponsored by the Authentic Radical Liberal Youth and supported by the PLRA [Authentic Radical Liberal Party] Executive Board and other opposition youth organizations, participants demanded the release of Abelino Encina, Domingo Laino, Waldino Montes de Oca, Ramon Ferreira, and Anibal Rojas, who were arrested last weekend. The brief rally—which lasted 7 minutes—was held at the intersection of Pettirossi and Mayor Fleitas Streets, in front of a well-known shopping center.

Nearly 100 youths stopped traffic, chanted slogans demanding the release of the detainees and the "end of repression" in our country, distributed pamphlets, and waved placards with slogans concerning the detainees' situation. The rally was spontaneously supported by a large number of onlookers as well as by drivers who expressed their support by honking their horns.

Climbing on a pick-up truck parked on the site, PLRA Secretary General Adalberto Mongelos said: "We have been called because we are fed up with the dictatorship, because another day under the dictatorship means that our tree has withered more and that there is more misery and need. The PLRA calls on the people to join the struggle."

Dr Miguel Abdon Saguier also spoke, demanding the release of the prisoners. He said: "The dictatorship is illegitimate because it violates human rights and holds on by force. Only the people can end the dictatorship. We are here to proclaim our rebellion until victory is achieved." Afterward, the demonstrators dispersed. No incidents were reported whatsoever. The presence of several leaders of the "Popular Mobilization for Change" movement, an internal PLRA faction, was noteworthy.

Laino, Others Released

PY1307235988 Asuncion ULTIMA HORA in Spanish
13 Jul 88 p 9

[Text] At about 1200 this afternoon, Domingo Laino held a news conference at Authentic Radical Liberal Party (PLRA) headquarters on the corner of Eduardo Victor Haedo and 15 de Agosto Streets.

The PLRA chairman was released at mid-morning today, after having been held at the Security Batallion since 10 July. Laino was arrested during a ceremony recalling a political celebration, which was held at the Ita Church.

Youth leaders Ramon Ferreira and Waldino Montes de Oca were also released today.

During the news conference, Laino said: "We have again been victims of the regime, which is becoming more and more oppressive."

Foreign Minister Discusses Asian Trip

PY1307164888 Asuncion EL DIARIO in Spanish
13 Jul 88 p 12

[Quotation marks as published]

[Text] Foreign Minister Carlos Saldivar has told journalists that "Japan's technical and economic aid to Paraguay will increase." He added: "It will continue to be provided without the mediation of multinational organizations (such as the World Bank or the IDB). Within a very short time we will be honored by a visit from Japanese Foreign Minister Sosuke Uno. This will be the first time a Japanese foreign minister has visited Paraguay.

Saldivar also said: "The ROK has donated computer equipment for the Foreign Ministry. If possible, the Foreign Ministry will have modern computer equipment either by the end of 1988 or the beginning of next year."

Foreign Minister Saldivar made this statement yesterday at the end of a meeting with President Alfredo Stroessner, whom he briefed about his recent official trips to Seoul and Tokyo. According to Saldivar, he briefed the president "on highlights of his meetings and the issues discussed at the time."

Saldivar said: "We have achieved highly positive results; both Japan and the ROK will increase their cooperation with Paraguay. During my stay in the ROK I met with

the Korean president. I handed him a personal letter from President Stroessner. I also held working meetings with the Korean prime minister and the minister of foreign affairs."

Saldivar added: "During my stay in Japan, I also held extensive and fruitful meetings with the Japanese foreign minister and with Prince Hitachi, who visited our country about 2 years ago. Saldivar said that the opening of the Paraguayan-Japanese Center for the Development of Human Resources, non-reimbursable aid, and Foreign Minister Uno's upcoming visit" were some of the subjects discussed during these meetings.

Spanish Deputy Comments on Political Situation

PY1307173088 Asuncion EL DIARIO in Spanish 13 Jul 88 p 9

[Text] Yesterday at the end of a short visit to Paraguay, Justo Zambrana, deputy for the Spanish Socialist Workers' Party (PSOE), affirmed that he is returning to Spain with the impression that "things are moving in Paraguay." At a press conference in the Febrerista Party's Casa del Pueblo, the Spanish politician explained the reasons for his coming to Paraguay, talked about his activities here, and anticipated what he would say in his report upon his return to Spain.

Asked about what he would report to the PSOE leadership about the situation in the country, Zambrana replied that "I will not be very explicit, but I leave with the impression that things are moving in Paraguay and that, in fact, the regime is becoming isolated in the world, because there are not many nondemocratic systems left. It is logical then that not only Spain's, but the world's attention should be turned toward the Paraguayan phenomenom."

As a member of the Spanish Socialist International delegation, Zambrana was in Chile, where the delegation expressed support for the opposition in view of the plebiscite that will be held in that country. He also visited Uruguay, where the delegation observed the democratic process under way in that country. He then decided to visit Paraguay.

Referring to conditions that might be helpful to a society in a process of democratic transition, the Spanish congressman said that the unity of all the social and political forces in the opposition and a constructive spirit are fundamental requirements.

Zambrana then pointed out that in Paraguay "I have noted quite a constructive spirit in the various opposition groups. It is absolutely fundamental that all forces in favor of unrestricted democracy unite in a common front."

The Spanish politician continued to explain that if sectors within the regime eventually come to understand that a future without democracy is not viable in Paraguay, "they should decide to cooperate as much as possible and be willing to enter into some kind of agreement."

Asked to what extent international pressure can force a country into a transition process, Zambrana replied: "Usually, each country has its own way. So, I do not want my words to be interpreted as interference in other countries' affairs. I can only say that politicians from other countries come to Spain and freely express their opinions about the Spanish situation, and this seems normal to us."

Peru

Bus Service Resumes After Work Stoppage

PY1307214088 Lima Television Peruana in Spanish 1800 GMT 13 Jul 88

[Excerpt] Urban transportation returned to normal in Lima after the 48-hour work stoppage ordered by the Bus Drivers Federation, which demanded a bus fare of 25 intis.

The bus service returned to normal early this morning when the drivers mobilized their units to take people to work. [passage omitted]

Uruguay

Barrios on Falklands, Trade With Argentina

PY1307140888 Buenos aires TELAM in Spanish 1132 GMT 13 Jul 88

[Text] Buenos Aires, 13 Jul (TELAM)—Uruguayan Foreign Minister Luis Barrios Tassano said that his country maintains an unyielding and unchanging position of supporting the Argentine sovereignty claim over the Malvinas Islands and endorses the way Argentina is trying to implement its claim. He made it clear that it is the Uruguayan shipowners, and not the Uruguayan Government, that are interested in fishing in the exclusion zone around the Malvinas Islands.

Barrios Tassano also ruled out the possibility that he could act as a mediator in the Anglo-Argentine conflict. He said that Timothy Eggar, the [British] Foreign Office under secretary, told the press that if Uruguayans want a permit to fish in the exclusion zone, the British would favorably consider such a petition.

The Uruguayan foreign minister emphasized that the South Atlantic must be a peaceful zone and that it must not be transformed into a new focus of military buildups, because this would hurt the tranquillity of the zone and would complicate the entire geopolitical scheme of the three countries on the South Atlantic.

In remarks to the newspaper AMBITO FINANCIERO, Barrios Tassano also addressed the expansion of the freeport system between Argentina and Uruguay, stating that this will contribute to stimulate exports of the two countries through a neutral zone.

Asked about the Buenos Aires-Colonia Bridge project, Barrios Tassano said that the initial feasibility studies have been completed; studies are under way; and several firm proposals to build and finance the bridge are being reviewed.

Supreme Soviet Official's Visit Announced

PY1307180588 Montevideo Radio Carve Network in Spanish 1600 GMT 13 Jul 88

[Text] USSR Supreme Soviet Deputy Chairman (Polaf Marich), accompanied by a high-level governmental delegation, will visit Uruguay from 26 to 31 July.

(Marich) will meet with President Julio Sanguinetti on 27 July. (Marich) will also meet with Foreign Minister Luis Barrios Tassano and with Agriculture and Fishing Minister Pedro Bonino.

Utility Rates, Public Servant Salaries Raised

PY1307172588 Montevideo Radio Carve in Spanish 0930 GMT 13 Jul 88

[Excerpt] A Government House announcement stated that utility rates and public servants' salaries were readjusted as of 1 July. In addition to the 11.1-percent fuel price increase, UTE [General Administration of Stateo Electric Power and Telephones], OSE [State Board of Sanitation], and ANTEL [National Administration for Telecommunications] have increased their rates by 23, 16, and 16 percent, respectively.

The price of gas increased by 15 percent, public servants' salaries have been increased by 16.3 percent, and the minimum salary has been set at 29,000 pesos, 16 percent higher than the previous minimum salary. [passage omitted]

Sanguinetti Creates Drug Control Agency

PY1407030988 Montevideo Radio Carve in Spanish 0000 GMT 14 Jul 88

[Text] Today during a cabinet meeting, President Sanguinetti decreed the formation of a National Council for the Prevention and Repression of the Illicit Traffic and Improper Use of Drugs [Junta Nacional de Prevencion y Represion del Trafico Ilicito y Uso Abusivo de Drogas]. Sanguinetti and the minister of public health agreed to establish a specialized center for the treatment of drug addicts.

This decree implies the modification of Decree Law 14,294 of 31 October 1974 which regulates the commercial sale and use of narcotics and penalizes drug trafficking.

Suriname

SELA Official on Regional Relations

FL1307192288 Paramaribo International Service in English 1730 GMT 13 Jul 88

[Text] If the countries of the Caribbean and Latin America do not find a good answer to the concentration of (?both) forces, the future does not look rosy. This was stated by the permanent secretary of the Latin American Economic System, Perez del Castillo, yesterday during a press conference here.

Perez del Castillo said that the [words indistinct] for the defense system and the gap between developing countries and the developed countries is getting bigger. To find an answer to this it is necessary to strengthen the relations in the region, according to the SELA representative. He said it's important that governments as well as the private sector and politicians consciously move closer to each other.

The SELA permanent secretary, who paid a 2-day visit to Suriname, left yesterday.